



D.B.E. GURNEY RESOURCES BERHAD
(Company No. 535763-A)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighteenth (18th) Annual General Meeting of D.B.E. Gurney Resources Berhad will be held at Intan 1, The Orient Star Resort Lumut, Lot 203 & 366 Jalan Iskandar Shah, 32200 Lumut, Perak Darul Ridzuan on Monday, 27 May 2019 at 10.00 a.m. for the following purposes:

AGENDA

ORDINARY BUSINESS

- 1 To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon. (Refer to Explanatory Note A)
- 2 To approve the increase in Directors' fees from RM90,000 to RM95,000 and the payment of such fees to the Non-Executive Director of the Company for the financial year ended 31 December 2018. (Ordinary Resolution 1)
- 3 To approve the Directors' fees up to an amount of RM150,000 and the payment of such fees to the Non-Executive Directors of the Company for the financial year ending 31 December 2019, to be made payable monthly. (Ordinary Resolution 2)
- 4 To approve the payment of Directors' benefits (other than Directors' fees) in accordance with Section 230(1) of the Companies Act 2016 up to an amount of RM80,000 from 28 May 2019 until the conclusion of the next Annual General Meeting of the Company. (Ordinary Resolution 3)
- 5 To re-elect Dato' Ding Seng Huat who retires by rotation pursuant to Article 84 of the Constitution of the Company. (Ordinary Resolution 4)
- 6 To re-elect YM Ungku A Razak bin Ungku A Rahman who retires by rotation pursuant to Article 84 of the Constitution of the Company. (Ordinary Resolution 5)
- 7 To re-elect Ms. Foo Kwai Kheng who was appointed during the year and retire pursuant to Article 91 of the Constitution of the Company. (Ordinary Resolution 6)
- 8 To re-appoint Messrs. Moore Stephens Associates PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Ordinary Resolution 7)

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

- 9 **Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016** (Ordinary Resolution 8)
"THAT, subject always to the Sections 75 and 76 of the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this Resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being; AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;
AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."
- 10 **Proposed Adoption of New Constitution of the Company** (Special Resolution)
"THAT the proposed adoption of a new Constitution of the Company, details as set out in Appendix A, be and is hereby approved in substitution for and to the exclusion of the whole of the existing Memorandum and Articles of Association of the Company thereof ("Proposed Adoption").
AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give effect to the Proposed Adoption."
- 11 To transact any other ordinary business of which due notice has been given.

BY ORDER OF THE BOARD

JESSLYN ONG BEE FANG (MAICSA 7020672)
ERIC TOH CHEE SEONG (MAICSA 7016178)

Company Secretaries

Penang
26 April 2019

NOTES:

1. Only members whose names appear on the Record of Depositors as at 17 May 2019 shall be entitled to attend, speak and vote at the Annual General Meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
3. A member shall be entitled to appoint not more than two proxies to attend and vote at the Annual General Meeting. Where a member appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds. An exempt authorized nominee refers to an authorized nominee defined under Securities Industry (Central Depositories) Act, 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorized in writing.
6. Pursuant to Paragraph 8.29(A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the forthcoming Annual General Meeting shall be put by way of poll.
7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy thereof, must be deposited at the Registered Office of the Company at No.54-4-B, Wisma Sri Mata, Jalan Van Praagh, 11600 Penang not less than 48 hours before the time set for holding the Annual General Meeting or any adjournment thereof.

Explanatory Notes

Note A - Audited Financial Statements for the financial year ended 31 December 2018

This Agenda is meant for discussion only as the provision of Section 248(2) and 340(1)(a) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

Ordinary Resolution 1 - Increase of Directors' Fees

The proposed Ordinary Resolution 1, if passed, will authorise the increase in Directors' fees from RM90,000 to RM95,000 for the financial year ended 31 December 2018. The additional RM5,000 of Directors' fees is a pro-rated amount for the newly appointed Non-Executive Director during the financial year ended 31 December 2018 and payment will only be made if the proposed Ordinary Resolution 1 has been approved by the shareholders of the Company at the 18th Annual General Meeting of the Company.

Ordinary Resolution 2 - Payment of Directors' Fees

The proposed Ordinary Resolution 2, if passed, will authorise the payment of the Directors' fees on a monthly basis up to the amount of RM150,000 to the Non-Executive Directors ("NEDs") for the financial year ending 31 December 2019. The Board is of the view that it is fair and equitable for the NEDs to be paid the Directors' fees on a monthly basis instead of in arrears after every Annual General Meeting given that they have duly discharged their responsibilities and provided their services to the Company throughout the said period.

Ordinary Resolution 3 - Payment of Directors' Benefits

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Under Ordinary Resolution 3, the benefits payable to the Directors pursuant to Section 230(1)(b) of the Act has been reviewed by the Board of Directors of the Company, which recognises that the benefits payable are in the best interest of the Company for the applicable period from the date of passing of this resolution up to the conclusion of the next Annual General Meeting. The benefits comprise of Directors Indemnity Insurance and also meeting allowances, which will only be accorded based on actual attendance of meetings by the Directors of the Company.

Ordinary Resolution 8 - Authority to Issue Shares Pursuant to Sections 75 and 76 of the Act

The Company is continually looking for opportunities to broaden the operating base and earnings potential of the Company. This may require the issue of new shares not exceeding ten percent (10%) of the issued and paid-up share capital of the Company for the time being.

The proposed Ordinary Resolution 8 would enable the Directors to avoid delay and cost of convening further general meetings to approve the issue of such shares for such purposes. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. The renewal of this mandate will provide flexibility to the Company for any potential fund raising activities, including but not limited to placement of shares, for purpose of funding future investments, working capital and/or any acquisition.

The Company had obtained the general mandate to issue shares in the last Annual General Meeting. There were no proceeds raised from the previous mandate.

Special Resolution - Proposed Adoption of New Constitution of the Company

The Proposed Adoption is undertaken primarily to streamline the existing Constitution of the Company with the Act, which was effective on and from 31 January 2017. The Proposed Adoption is also to align the existing Constitution with the amendments of the Main Market Listing Requirements that came into effect from 2 January 2018, to provide clarity to certain provisions thereof and to render consistency throughout in order to facilitate and further enhance administrative efficiency. The Board proposed that the existing Memorandum and Articles of Association be revoked in its entirety and the proposed new Constitution of the Company as set out in Appendix A which is circulated together with the Notice of 18th Annual General Meeting dated 26 April 2019 be adopted as the new Constitution of the Company.

The proposed Special Resolution shall take effect once it has been passed by a majority of not less than 75% of such members who are entitled to attend and vote and do vote in person or by proxy at the 18th Annual General Meeting.