



**Oriental Technologies Investment
Limited**

澳大利亚东方科技投资有限公司

**Oriental Technologies Investment
Limited
ABN 13 060 266 248**

**NOTICE OF GENERAL MEETING
TO BE HELD ON FRIDAY 19 DECEMBER 2014**

and

**Explanatory Memorandum
for the Notice of General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE,
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT
OR OTHER PROFESSIONAL ADVISER.**

**NOTICE OF THE GENERAL MEETING TO BE HELD
AT
THE UNION, UNIVERSITY & SCHOOLS CLUB, PIONEERS' ROOM 1, THIRD FLOOR, 25
BENT STREET, SYDNEY NSW 2000
AT 10:00 AM SYDNEY TIME ON FRIDAY, 19 DECEMBER 2014**

**TO BE VALID, FORMS OF PROXY FOR USE AT THE GENERAL MEETING
MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN
10:00 AM SYDNEY TIME ON WEDNESDAY, 17 DECEMBER 2014**

ABN 13 060 266 248
Level 12
32 Martin Place
Sydney NSW 2000
Tel: 612 9238 3988
Fax: 612 9231 3911



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Section A Glossary

1. Definitions

Words defined in the Explanatory Memorandum have the same meaning when used in this Notice of General Meeting unless the context requires otherwise. For assistance in considering the Notice of General Meeting, the following words are defined here:

\$	means Australian dollars.
ASX	means ASX Limited ACN 008 624 691 or the securities market operated by the ASX, as the case may be.
ASX Listing Rules	means the official listing rules issued and enforced by the ASX as amended from time to time.
Board	means the board of Directors.
Company	means Oriental Technologies Investment Limited ABN 13 060 266 248.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
End of Day	means on any trading day, 7.00 pm Sydney time or such other time as ASX Settlement may from time to time determine.
Explanatory Memorandum	means the explanatory memorandum set out in Section C of this document.
Notice of General Meeting or Notice	means the notice of General Meeting set out in Section B of this document.
Resolution	means a resolution passed by the requisite majority of members of the Company on a show of hands or by the requisite majority of votes given on a poll.
Share	means a fully paid ordinary share in the issued capital of the Company and Shares means any two or more of them.
Shareholder	means a holder of a Share.



Section B Notice of General Meeting

NOTICE IS HEREBY GIVEN that the General Meeting of the Shareholders of Oriental Technologies Investment Limited ABN 13 060 266 248 (the **Company**) will be held at The Union, University & Schools Club, Pioneers' Room 1, Third Floor, 25 Bent Street, Sydney NSW 2000 on Friday, 19 December 2014 at 10:00 am (Sydney time).

The Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting should be considered prior to Shareholders voting on the matters to be considered at the General Meeting.

If you are unable to attend the General Meeting, please complete and return the enclosed proxy form in accordance with the specified directions in this Notice of General Meeting and on the proxy form.

Defined terms used in this Notice of General Meeting have the meanings given to them in the Glossary accompanying this Notice of General Meeting.

1. Special business

1.1 Resolution 1: Capital reduction – tranche 1

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

"That, approval is given to the Company in accordance with sections 256B and 256C of the Corporations Act, the ASX Listing Rules and for all other purposes, to reduce the share capital of the Company by a total of up to \$12,004,303 by way of an equal capital reduction by paying to each Shareholder who is recorded as a Shareholder at End of Day on Tuesday 30 December 2014 up to \$0.095 per Share held by that Shareholder, in accordance with the terms described in paragraph 2 of the Explanatory Memorandum."

1.2 Resolution 2: Capital reduction – tranche 2

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

"That, approval is given to the Company in accordance with sections 256B and 256C of the Corporations Act, the ASX Listing Rules and for all other purposes, to reduce the share capital of the Company by a total of up to \$4,000,000 by way of an equal capital reduction by paying to each Shareholder who is recorded as a Shareholder at a time to be announced by the Board an amount per Share determined by the Board at the time, in accordance with the terms described in paragraph 2 of the Explanatory Memorandum."

2. Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at End of Day on Wednesday, 17 December 2014.



3. Votes of members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the General Meeting who is entitled to vote shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) who is entitled to vote shall have one vote for each Share held by him, her or it.

4. Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of General Meeting;
- (c) a proxy may be a Shareholder of the Company;
- (d) a proxy need not be a Shareholder of the Company;
- (e) where a Shareholder appoints two proxies, the following rules apply:
 - (i) each proxy may exercise half of the Shareholder's voting rights if the appointment does not specify a proportion or number of the Shareholder's voting rights the proxy may exercise;
 - (ii) on a show of hands, neither proxy may vote; and
 - (iii) on a poll, each proxy may only exercise the voting rights the proxy represents;
- (f) a proxy has the authority to vote on the Shareholder's behalf as he or she thinks fit, on any motion to adjourn the General Meeting, or any other procedural motion, unless the Shareholder gives a direction to the contrary;
- (g) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (h) to be valid, a proxy form must be signed by the Shareholder or the Shareholder's attorney or, if the Shareholder is a corporation, executed in accordance with the corporation's constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney); and



- (i) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than 10:00 am (Sydney time) on Wednesday, 17 December 2014

by the Company:

- by hand delivery: Level 12, 32 Martin Place Sydney
NSW 2000

- by mail: Level 12, 32 Martin Place Sydney
NSW 2000

- by facsimile: +61 2 9231 3911

By order of the Board:

Mr Ian Morgan
Company Secretary
Oriental Technologies Investment Limited

Dated: 17 November 2014



Section C Explanatory Memorandum

1. Introduction

This Explanatory Memorandum contains the information needed for Shareholders to assess the Resolutions to be put to them at the General Meeting of the Company on Friday, 19 December 2014. A Notice of General Meeting accompanies this Explanatory Memorandum.

This Explanatory Memorandum, as well as the Notice of General Meeting, should be read carefully and in their entirety.

The Explanatory Memorandum and Proxy Form are part of this Notice of General Meeting.

2. Resolution 1 – Capital reduction – tranche 1

2.1 Proposal

On 2 October 2014, the Company announced that it had received in its Australia bank account \$15,718,704 from Camel Group Co., Ltd (**Camel**).

This amount comprised the Company's share of part of the purchase price under the equity transfer agreement between Indeveno Industries Pty Ltd (**Indeveno**), the minority shareholder of Yangzhou Apollo Battery Co Limited (**Apollo**), the Company and Camel.

Under the terms of the equity transfer agreement, OTI and Indeveno agreed to transfer 100% of Apollo's equity to Camel.

As announced on 2 October 2014, OTI intends to distribute its share of the consideration to Shareholders, less the amount of any taxation liability from the disposal, third party costs in relation to the disposal, and an amount reasonably required to maintain OTI while it pursues other business opportunities.

Accordingly, the Company now proposes to make a cash payment to Shareholders of up to \$0.095 per Share as a return of capital, representing a return of up to \$12,004,303 in total, in accordance with sections 256B and 256C of the Corporations Act.

The expected record date for determining entitlements to receive the return of capital is End of Day on Tuesday 30 December 2014.

The expected payment date is Wednesday 7 January 2015.

The effect of Resolution 1 will be to permit the Company to reduce the share capital of the Company by up to \$12,004,303.

2.2 Legal requirements for a reduction of capital

In accordance with section 256B of the Corporations Act, the Company may only reduce its share capital if the reduction:



- (a) is fair and reasonable to the Shareholders as a whole;
- (b) does not materially prejudice the Company's ability to pay its creditors; and
- (c) is approved by Shareholders under section 256C of the Corporations Act.

The proposed return of capital constitutes an equal reduction of OTI's share capital for the purposes of the Corporations Act. This is because it relates only to ordinary shares, it applies to each Shareholder in proportion to the number of Shares they hold, and the terms of the reduction are the same for each Shareholder.

The Company has satisfied the requirements under section 256B of the Corporations Act:

- (a) the Directors are of the view that the proposed capital reduction is fair and reasonable to the Shareholders as a whole. All Shareholders will be treated in the same manner in terms of the proportion of the share capital of the Company being returned;
- (b) the Directors have carefully reviewed the Company's assets, liabilities and expected cash flows, and believe that the return of capital will not materially prejudice the Company's ability to pay its creditors. The Directors have also satisfied themselves as to the solvency of the Company following the return of capital; and
- (c) as the return of capital is an equal reduction of capital, the reduction must be approved by an ordinary resolution of Shareholders in accordance with section 256C of the Corporations Act. In accordance with section 256C(5) of the Corporations Act, a copy of this Notice has been lodged with ASIC.

2.3 **Effect of proposed capital reduction on the capital structure**

After the return of capital, the Company's share capital will be reduced by up to \$12,004,303 (subject to rounding). No Shares will be cancelled in connection with the return of capital. Accordingly, the return of capital will not affect the number of Shares on issue in the Company, the number of Shares held by each Shareholder, nor the control of the Company.

2.4 **Effect of the proposed capital reduction on financial position of the Company**

The return of capital will be funded by the proceeds of the Company's sale of its interest in Apollo (as set out above).

In determining whether to implement a return of capital, the Directors have reviewed the Company's assets, liabilities and expected cash flows. The Directors consider that the return of capital will not materially prejudice the Company's ability to pay its creditors. The Directors have also satisfied themselves as to the solvency of the Company following the return of capital.

2.5 **Effect on the Share price**

If the proposed return of capital is implemented, the Shares may trade at a lower share price following the 'ex' date for the return of capital than they would have done had the return of capital not been made. This is due to the outflow of funds to Shareholders.



2.6 Tax implications for the Company

No adverse tax consequences are expected to arise for the Company as a result of the capital return.

2.7 Tax implications for Shareholders

Shareholders are encouraged to obtain their own tax advice in relation to their tax position as a result of the return of capital.

2.8 Directors' interests

The number of Shares in which each Director has an interest as at the date of this Notice is set out in the table below. The table also shows the amount each Director is likely to receive under the capital return of \$0.095 per Share.

Director	Shares	Amounts under the capital return
Gerard McMahon	498,301	\$47,338.60
Lawrence Luo-Lin Xin	44,400,000	\$4,218,000.00
Xinsheng Wang	11,100,000	\$1,054,500.00
George S Su	Nil	\$Nil

2.9 Directors' recommendation

For the reasons set out above, the Board unanimously recommends that Shareholders vote in favour of this Resolution.

Each Director (including the Chairman) intends to vote all Shares held by or controlled by him in favour of the proposed return of capital.

3. Resolution 2 – Capital reduction – tranche 2

3.1 Proposal

As set out in paragraph 2, the Company is seeking to undertake a capital reduction by making a cash payment to Shareholders from the proceeds of the sale of the Company's interest in Apollo.

As set out in paragraph 2, the Company has received its share of part of the purchase price under the equity transfer agreement. The Company anticipates that, in accordance with the terms of the equity transfer agreement, it will receive its share of the final proceeds of sale within 16 months from the date of Chinese regulatory approval.

Accordingly, the Company proposes to make a cash payment to Shareholders from the final proceeds of the sale of the Company's interest in Apollo of up to \$4,000,000 in total, in accordance with sections 256B and 256C of the Corporations Act.



The amount of the second tranche will depend upon remittance of the remaining purchase price due to the Company in Australia, which is approximately 56% of RMB 30,475,652. The second tranche cannot be paid until certain receivables are collected and the product warranty period has expired. There may, therefore, need to be some further deductions from this amount.

Given that the Company will undertake the return of capital after at least 16 months from the date of Chinese regulatory approval, the Board will determine the amount per Share returned to Shareholders immediately prior to making the return. The total amount returned to Shareholders will not exceed \$4,000,000. The record date for determining entitlements to receive the return of will be announced to Shareholders at the relevant time. The Board will provide appropriate disclosures to Shareholders in due course.

The effect of Resolution 2 will be to permit the Company to reduce the share capital of the Company by up to \$4,000,000.

3.2 Legal requirements for a reduction of capital

The proposed return of capital constitutes an equal reduction of OTI's share capital for the purposes of the Corporations Act.

The Company has satisfied the requirements under section 256B of the Corporations Act:

- (a) the Directors are of the view that the proposed capital reduction is fair and reasonable to the Shareholders as a whole. All Shareholders will be treated in the same manner in terms of the proportion of the share capital of the Company being returned;
- (b) the Directors have carefully reviewed the Company's assets, liabilities and expected cash flows, and believe that the return of capital will not materially prejudice the Company's ability to pay its creditors. The Directors have also satisfied themselves as to the solvency of the Company following the return of capital; and
- (c) as the return of capital is an equal reduction of capital, the reduction must be approved by an ordinary resolution of Shareholders in accordance with section 256C of the Corporations Act. In accordance with section 256C(5) of the Corporations Act, a copy of this Notice has been lodged with ASIC.

3.3 Effect of proposed capital reduction on the capital structure

After the return of capital, the Company's share capital will be reduced by up to \$4,000,000 (subject to rounding). No Shares will be cancelled in connection with the return of capital. Accordingly, the return of capital will not affect the number of Shares on issue in the Company, the number of Shares held by each Shareholder, nor the control of the Company.

3.4 Effect of the proposed capital reduction on financial position of the Company

The return of capital will be funded by the proceeds of the Company's sale of its interest in Apollo (as set out above).

In determining whether to implement a return of capital, the Directors have reviewed the Company's assets, liabilities and expected cash flows. The Directors consider that the return of capital will not materially prejudice the Company's ability to pay its creditors. The Directors have also satisfied themselves as to the solvency of the Company following the return of capital.



3.5 **Effect on the Share price**

If the proposed return of capital is implemented, the Shares may trade at a lower share price following the 'ex' date for the return of capital than they would have done had the return of capital not been made. This is due to the outflow of funds to Shareholders.

3.6 **Tax implications for the Company**

No adverse tax consequences are expected to arise for the Company as a result of the capital return.

3.7 **Tax implications for Shareholders**

Shareholders are encouraged to obtain their own tax advice in relation to their tax position as a result of the return of capital.

3.8 **Directors' interests**

The number of Shares in which each Director has an interest as at the date of this Notice is set out in paragraph 2.8

3.9 **Directors' recommendation**

For the reasons set out above, the Board unanimously recommends that Shareholders vote in favour of this Resolution.

Each Director (including the Chairman) intends to vote all Shares held by or controlled by him in favour of the proposed return of capital.



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Oriental Technologies Investment Limited

澳大利亚东方科技投资有限公司

PROXY FORM

STEP 1 APPOINT A PROXY

I/We, _____ (insert name(s) / address)

being a member/s of Oriental Technologies Investment Limited ABN 13 060 266 248 (the **Company**) and entitled to attend and vote hereby appoint:

the **Chairman (mark box)**

OR if you are **NOT** appointing the Chairman as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman, as my/our proxy at the General Meeting of the Shareholders of Oriental Technologies Investment Limited ABN 13 060 266 248 (the Company) will be held at The Union, University & Schools Club, Pioneers' Room 1, Third Floor, 25 Bent Street, Sydney NSW 2000 on Friday, 19 December 2014 at 10:00 am (Sydney time) and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chairman intends to vote undirected proxies in favour of each of the items of business.

If you have appointed the Chairman as your proxy (or the Chairman becomes your proxy by default), and you wish to give the Chairman specific voting directions on an item, you should mark the appropriate box/es opposite those items in step 2 below (directing the Chairman to vote for, against or to abstain from voting). If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in computing the required majority on a poll.

ABN 13 060 266 248
Level 12
32 Martin Place
Sydney NSW 2000
Tel: 612 9238 3988
Fax: 612 9231 3911



STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

This proxy is to be used in respect of all / _____% (*number*) of the Ordinary Shares I / we hold.

I/We instruct my/our proxy to vote as follows (the resolutions are numbered as in the Notice of General Meeting):

	For	Against	Abstain
To consider and, if thought fit, to pass, with or without amendment, the following resolutions:			
Resolution 1 Capital reduction – Tranche 1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Capital reduction – Tranche 2.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

(insert name(s) / address)

Dated: _____ 2014

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature	Director
Signature	Director/Company Secretary



Instructions for Completing Proxy Form

1. A Shareholder entitled to attend and vote at a Shareholders' meeting is entitled to appoint a proxy to attend and vote on behalf of that Shareholder.
2. You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on one item, your vote on that item will be invalid.
3. A duly appointed proxy need not be a Shareholder. This form should be signed by the Shareholder. If a joint holding, either Shareholder may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the Shareholder's constitution and the Corporations Act 2001.
4. Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act 2001. Section 127 of the Corporations Act 2001 provides that a company may execute a document without using its common seal if the document is signed by:
 - directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.
5. For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act 2001, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.
6. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting
7. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
8. To vote by proxy, please complete and sign the proxy form enclosed and send the proxy form by:
 - Hand delivery to the Company's registered office at Level 12, 32 Martin Place Sydney NSW 2000;
 - Post to Level 12, 32 Martin Place Sydney NSW 2000; or
 - Facsimile to Oriental Technologies Investment Limited on facsimile number +61 2 9231 3911,so that it is received not later than 10 am Sydney time, Wednesday 17 December 2014.

Proxy forms received later than this time will be invalid.

Chapter 2C of the Corporations Act 2001 requires information about you as a Shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. You can access your personal information by contacting the Company at the address or telephone number shown on this form.



Oriental Technologies Investment Limited

澳大利亚东方科技投资有限公司

APPOINTMENT OF CORPORATE REPRESENTATIVE

Pursuant to Section 250D of the *Corporations Act 2001*

(ABN/ACN/ARBN _____)

(Insert name of Shareholder/Body Corporate & ACN/ARBN)

Hereby Authorises

(Insert name of appointee)

- (*). 1. To act as the Company's representative at all General Meetings of Oriental Technologies Investment Limited ABN 13 060 266 248.
- (*). 2. To act as the Company's Representative at the General Meeting to be held at The Union, University & Schools Club, Pioneers' Room 1, Third Floor, 25 Bent Street, Sydney NSW 2000 on Friday, 19 December 2014 at 10:00 am (Sydney time) and any adjournment to that meeting.

Dated this _____ day of _____ 2014

Executed by the corporation in accordance with its Constitution/Section 127 of the Corporations Act 2001 in the presence of:

(*). Director

(*). Director/Secretary

Affix Common Seal here (optional)

(*). Sole Director & Sole Secretary

(*). *Delete if not applicable*

This authority may be sent to the registered office of the Company in advance of the meeting as set out in the Notice of General Meeting which this appointment accompanies or handed in at the General Meeting when registering as a company representative. In either case, the authority will be retained by the Company.

Level 12
32 Martin Place
Sydney NSW 2000
Tel: 612 9238 3988
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