
FERTOZ LTD ACN 145 951 622

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Notice is hereby given that the Annual General Meeting of the Shareholders of Fertoz Ltd ACN 145 951 622 to which this Notice of Meeting relates will be held at:

TIME: 1:00 pm Australian Eastern Daylight Time (AEDT)

DATE: 28 November 2014

PLACE: Blackwood Capital Ltd
Level 12
139 Macquarie Street
Sydney NSW 2000

This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Managing Director, Les Szonyi, +61 (0)7 3396 0024 or +61 (0)418 158 185.

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IMPORTANT INFORMATION

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The persons eligible to vote at the General Meeting are those who are registered Shareholders at 1:00 pm, Wednesday 26 November 2014.

VOTING IN PERSON

To vote in person, attend the General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

BUSINESS OF THE MEETING

ORDINARY BUSINESS

AUDITED FINANCIAL REPORT

To receive and consider the Financial Report and the reports of the Directors and Auditors of the Company for the financial year ended 30 June 2014

RESOLUTION 1 - RE-ELECTION OF MR ADRIAN BYASS

To consider and, if thought fit, pass the following resolution as an ordinary resolution under clause 20.1 (b) of the Constitution:

"That Mr Adrian Byass, who retires in accordance with the Company's Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a director of the Company, be re-elected as a director of the Company with effect from the close of this Meeting."

RESOLUTION 2 – RATIFICATION OF MR STEPHEN KEITH AS A DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as an ordinary resolution under clause 20.1 (b) of the Constitution:

"That Mr Stephen Keith, a director of the Company appointed to fill a casual vacancy, who is required to retire in accordance with the Company's Constitution and ASX Listing Rule 14.4, and being eligible for election, be elected as a director of the Company with effect from the close of this Meeting."

RESOLUTION 3 – RATIFICATION OF MR ALEX PENHA AS AN ALTERNATE DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as an ordinary resolution under clause 20.1 (b) of the Constitution:

"That the Board's appointment of Mr Alex Penha, as an alternate director of the Company to Mr Stephen Keith be ratified."

RESOLUTION 4 - REMUNERATION REPORT

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report set out in the Company's Annual Report (as part of the Directors' Report) for the financial year ended 30 June 2014 be adopted."

The Remuneration Report is set out on pages 13-18 of the Company's Financial Report for the year ended 30 June 2014 and is available on the Company's website (www.fertoz.com) within the 'Investors' section of the website.

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 5 – ISSUE OF OPTIONS TO STEPHEN KEITH

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

*“That, subject to Resolution 2 being passed, for the purpose of Listing Rule 10.11 and Chapter 2E of the Corporations Act, and for all other purposes the Shareholders approve the allotment and issue to Mr Stephen Keith (or to an entity associated with Mr Keith) 450,000 options (**Keith Options**) as follows:*

- (a) 150,000 options with an exercise price of 65 cents each;*
- (b) 150,000 options with an exercise price of 75 cents each; and*
- (c) 150,000 options with an exercise price of 85 cents each.”*

Information about the terms of the Keith Options is set out in the Explanatory Statement.

RESOLUTION 6 – ISSUE OF OPTIONS TO ALEX PENHA

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

*“That, subject to Resolution 3 being passed, for the purpose of Listing Rule 10.11 and Chapter 2E of the Corporations Act, and for all other purposes the Shareholders approve the allotment and issue to Mr Alex Penha (or to an entity associated with Mr Penha) 450,000 options (**Penha Options**) as follows:*

- (a) 150,000 options with an exercise price of 65 cents each;*
- (b) 150,000 options with an exercise price of 75 cents each; and*
- (c) 150,000 options with an exercise price of 85 cents each.”*

Information about the terms of the Penha Options is set out in the Explanatory Statement.

RESOLUTION 7 – APPROVAL OF EMPLOYEE SHARE PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) as an exception to ASX Listing Rule 7.1, section 259B(2) and 260C(4) of the Corporations Act and for all other purposes, approval is given for the Company to establish and maintain an incentive scheme titled Ferto Limited Employee Share Plan and for the issue of securities under that Employee Share Plan, on the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO DIRECTOR UNDER EMPLOYEE SHARE PLAN – MR LES SZONYI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 7, for the purposes of ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act and for all other purposes, approval is given for the Company to issue 1 million Plan Shares to Mr Les Szonyi pursuant to the Company’s Employee Share Plan, on terms and conditions set out in the Explanatory Statement.”

SPECIAL BUSINESS

RESOLUTION 9 - ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES

To consider and, if thought fit, pass the following resolution as a **Special Resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval be given for the issue of Equity Securities of up to an additional 10% of the issued capital of the Company (at the time of the issue or the agreement to issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A2 and on the terms set out in the Explanatory Memorandum.”

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company and the Corporations Act.

BY ORDER OF THE BOARD



**JAMES CHISHOLM
CHAIRMAN**

DATE 21 OCTOBER 2014

VOTING EXCLUSION STATEMENT:

The Company will disregard any votes cast on:

- Resolution 1 by Mr Adrian Byass
- Resolutions 2 and 3 by Mr Stephen Keith and Mr Alex Penha.
- Resolution 4 by the Directors of the Company and their associates and any Key Management Personnel named in the Remuneration Report or a Closely Related Party (also, see voting restrictions in 'Important instructions for Resolution 4' below).
- Resolution 5, 6, 7 and 8 by any Director and any associates of any such person and any Key Management Personnel or a Closely Related Party where the vote is cast as a proxy.
- Resolution 9 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if the resolution is passed, or an associate of such person. **Note:** In accordance with the note set out in Listing Rule 14.11.1 (relating to Listing Rules 7.1 and 7.1A), as at the date of this Notice of Meeting, it is not known who may participate in the proposed issue of securities that is the subject of Resolution 9. On that basis, no persons are currently excluded from voting on that resolution. Where it is not known who will participate in the proposed issue (as is the case in respect of the securities the subject of Resolution 9), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted.

However, the Company need not disregard a vote if:

- a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the resolutions the subject of this Meeting (even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company), subject to compliance with the Corporations Act.

Important instructions for Resolution 4

- In accordance with Section 250R(4) of the Corporations Act a vote on Resolution 4 must not be cast (in any capacity) by or on behalf of either of the following persons:
 - a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
 - b) a Closely Related Party of such a member,unless:
 - c) the person casts a vote on the resolution as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and the vote is not cast on behalf of a person described in (a) or (b) above; or
 - d) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company,and the vote is not cast on behalf of a person described in (a) or (b) above.

Any vote cast in contravention of this exclusion will be taken not to have been cast.

Notes

1. The Company has determined that for the purpose of determining voting entitlements at the Annual General Meeting all shares in the Company that are quoted on the ASX will be taken to be held by the persons who held them as registered shareholders at 1:00 pm (AEDT) on 26 November 2014. Accordingly, share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.
2. On a poll, a member will have one vote for every fully paid ordinary Share held.
3. On a show of hands every member present has one vote (Subject to note 6 below).
4. A member entitled to attend and vote may attend and vote in person or by proxy, or attorney or (where the member is a body corporate) by representative.
5. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the member's votes each proxy is entitled to exercise. If the appointment does not specify the proportion or number of the member's votes, each proxy may exercise one half of those votes.
6. Where a member appoints two proxies, in one instrument and both are present, on a show of hands only the first named proxy may vote
7. The proxy of a member does not need to be a member of the Company.
8. Proxy forms must be signed by a member or the member's attorney or, if a corporation, executed under seal or in accordance with section 127 of the Corporations Act 2001 (Cth) (if an Australian Company) or signed by an authorised officer of attorney for any overseas companies.
9. If proxy holders vote, they must cast all directed proxies as directed and any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

10. A proxy form accompanies this Notice of Meeting and to be effective must be received by the Company's corporate registry by 1:00 pm (AEDT) 26 November 2014 at:

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only

(custodians) www.intermediaryonline.com

For all enquiries in relation to completing your proxy call Computershare on:

(within Australia) 1300 850 505 or (outside Australia) +61 3 9415 4000

EXPLANATORY STATEMENT

THIS EXPLANATORY MEMORANDUM SHOULD BE READ IN ITS ENTIRETY. IF SHAREHOLDERS ARE IN DOUBT AS TO HOW THEY SHOULD VOTE, THEY SHOULD SEEK ADVICE FROM THEIR ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISER PRIOR TO VOTING.

This Explanatory Memorandum should be read in conjunction with the Notice of Annual General Meeting to which this Explanatory Memorandum is attached and forms part of.

Terms used in this Explanatory Memorandum are defined in Schedule 1 of this Explanatory Memorandum.

Financial Report

Whilst the Corporations Act requires the Financial Report and the reports of the Directors' and auditors' to be laid before the Annual General Meeting, neither the Corporations Act nor the Constitution of the Company requires Shareholders to vote on, approve or adopt those reports.

Shareholders will, however, have ample opportunity at the Annual General Meeting to raise questions on these reports.

Each shareholder will have had access to a copy of the Annual Report, which contains the Financial Report, Directors' Report and Auditors' Report for the financial year ended 30 June 2014.

1. RESOLUTION 1 – RE-ELECTION OF MR ADRIAN BYASS

1.1 Background

Mr. Byass retires pursuant to clause 20.3 of the Constitution and ASX Listing Rule 14.4, and offers himself for re-election as Director of the Company in accordance with the Company's Constitution. Information about Mr. Byass is set out in the Company's 2014 Annual Report.

1.2 Recommendation

The directors (other than Mr Byass because of his interest in this Resolution) recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – APPOINTMENT OF MR STEPHEN KEITH AS A DIRECTOR OF THE COMPANY

2.1 Background

Rule 20.1(c) of the Constitution of the Company and Listing Rule 14.4 provide that a Director who has been appointed by the other Directors to fill a casual vacancy or as an addition to the Board only holds office to the end of the next annual general meeting and is then eligible to stand for election at that annual general meeting.

Under clause 20.1(c) of the Company's Constitution, the Board appointed Mr Stephen Keith as a director of the Company as at 29 July 2014 to fill the vacancy created by Mr Peter Bennetto's resignation in November 2013. Accordingly, Mr Keith retires as a Director at the end of the forthcoming Meeting, however, being eligible, offers himself for election as a Director of the Company.

Mr Keith has provided the Board with the necessary written consent to act as a director of the Company.

Mr Keith, based in Toronto, was President and Chief Executive Officer (CEO) of Search Minerals Inc. (TSX-V:SMY), a company focused on the exploration and development of strategic metals.

Prior to his work with Search, Mr Keith was a founder and the President and CEO of Rio Verde Minerals Development Corp. ("**Rio Verde**") (TSX: RVD), a phosphate company he took from concept to listing on the TSX. Rio Verde were progressing a production plant in Brazil for 150,000 tonnes per annum direct application phosphate for an estimated capital cost of C\$10 million. Mr Keith led Rio Verde until its acquisition by B&A Fertilizers Limited on March 13, 2013.

In addition, Mr Keith sits on the Board of Directors of Aura Minerals (TSX: ORA), a gold and base metals company with projects in the Americas and is a strategic advisor to Dominican Renewables Inc. which is focused on biofuels in developing countries.

As an engineer, Mr Keith has worked with mining and energy companies on projects through feasibility study, engineering design, project management and construction. In finance and investment banking, he has completed more than C\$2 billion in financings and merger and acquisition deals for natural resource projects. He holds a BSc, Applied Science (Queen's University), an International MBA (York University, Schulich School of Business) and a P.Eng. (Ontario and British Columbia) and is fluent in Spanish.

2.2 Recommendation

The directors (other than Mr Keith and Mr Penha because of their interest in this Resolution) recommend that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – RATIFICATION OF MR ALEX PENHA AS AN ALTERNATE DIRECTOR OF THE COMPANY

3.1 Background

Under clause 23.2(a) of the Company's Constitution, the Board appointed Mr Alex Penha as an alternate director of the Company to Stephen Keith as at 29 July 2014. The Board wishes to obtain the approval of Shareholders to ratify this appointment (by an ordinary resolution of the Shareholders).

Mr Penha and Mr Keith are both based in Toronto and will share a director role. Mr Penha will attend Board meetings when Mr Keith is unavailable.

Alex Penha has worked closely with Mr Keith over a number of years. He was a director and Executive Vice President (EVP) at Search Minerals. He was also VP Corporate Development at Rio Verde.

Mr Penha's other past roles have included VP Corporate Development at Aura Minerals Inc. (TSX: ORA), General Manager, Corporate Development at Rio Novo Gold (TSX: RN), VP Research and Corporate Development at Tau Capital Corp. in Toronto. He was a Research Associate at both Merrill Lynch Canada and Clarus Securities Inc. and an Investment Banker at Thomas Weisel Partners Canada.

Mr Penha worked for more than seven years in Corporate Finance at Banif Investment Banking, and other capital markets institutions based in Brazil. He holds an MBA (York University, Schulich School of Business), a B.Sc. Economics, (Rio de Janeiro State University) and a Post-Degree in Corporate Finance (Getulio Vargas Foundation, Rio de Janeiro). He is also a Board Member of the Brazil-Canada

Chamber of Commerce and Chairman of its Mining Committee. He is fluent in Spanish and Portuguese.

3.2 Recommendation

The directors (other than Mr Penha and Mr Keith because of their interest in this Resolution) recommend that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – REMUNERATION REPORT

Section 300A of the Corporations Act requires the Directors' Report to include a separately identified Remuneration Report. Listed entities are further required to submit the Remuneration Report for adoption by way of a non-binding advisory resolution at the Company's Annual General Meeting, in accordance with Section 250R(2) of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Remuneration Report (among other things) explains the Board's policies in relation to the nature and level of remuneration paid to Directors and specified executives of the Company and sets out remuneration details for each Director and specified key executives of the Company.

Under section 250R(3) of the Corporations Act, the vote on the resolution to adopt the Remuneration Report is advisory only and does not bind the Directors of the Company.

Under the Corporations Act and pursuant to provisions known generally as the "two strikes rule", the result of the vote on this resolution may affect the Company's 2015 Annual General meeting. If 25% or more of votes cast on this resolution are voted against the resolution (constituting the "first strike"), a resolution on whether to hold a further meeting to spill the Board (Spill Resolution), as required by the Corporations Act, would be put to shareholders if a "second strike" were to occur at the 2015 Annual General meeting. Such a spill resolution would be included in the 2015 notice of meeting. For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

5. RESOLUTION 5 - ISSUE OF OPTIONS TO STEPHEN KEITH

5.1 Background

As part of the remuneration of Mr Stephen Keith as a non-executive Director of the Company, the Directors under clause 2.1 of the Constitution of the Company have resolved to approve the allotment to Mr Keith (or to an entity associated with Mr Keith) of 450,000 options to acquire one fully paid ordinary share in the Company per option, subject to this Resolution being approved by Shareholders (**Keith Options**).

The terms of the Keith Options were approved by the Board on 28 July 2014 and the valuation of the Keith Options was considered on 30 September 2014.

Mr Keith is a related party of the Company under the Corporations Act 2001 (Cth) (Corporations Act) by virtue of his directorship in the Company.

Approval is being sought under Resolution 5 to approve the grant of the Keith Options to Mr Keith, as a reflection of Mr Keith's future contribution to the Company as a Director and to provide him with a continued commitment to the Company.

5.2 Reason for proposed Shareholder approval

The above approvals are sought for the purposes of:

- Chapter 2E of the Corporations Act, which governs the giving of financial benefits to directors and other 'related parties' of a company—the issue of the Keith Options will constitute a giving of a financial benefit to a related party under section 229(3)(e) of the Corporations Act and consequently, approval under section 208 of the Corporations Act is sought; and
- Listing Rule 10.11, which governs the issue of Equity Securities to directors and other related parties of a company,

and for all other purposes.

In accordance with Listing Rule 7.2 (Exception 14), if Resolution 5 is passed, separate shareholder approval under Listing Rule 7.1 is not required as the issue of the Keith Options will be approved by Shareholders under Listing Rule 10.11.

5.3 Information required by Listing Rule 10.13 and Section 219 of Corporations Act

For the purposes of the Listing Rule 10.13 and section 219 of the Corporations Act information regarding the Keith Options is provided as follows.

- (a) The maximum number of options to be issued to Mr Keith (or his nominee) is 450,000 options to acquire one fully paid ordinary share in the Company per option.
- (b) In determining the number of options to be granted, consideration was given to the relevant experience and role of Mr Keith and his overall remuneration terms. Mr Keith's remuneration package is set out in Schedule 2 of this Notice.
- (c) The dilutionary effect of the Keith options if all of the Keith options are exercised would be 1.0%. If all the other options issued or agreed to be issued by the Company were exercised then the fully diluted effect of the Keith options after all the other options were exercised would be 0.8%
- (d) Mr Keith or his related entities do not have any interest in the Company as at the date of this Notice of Meeting.
- (e) No funds are being raised by the grant of the Keith Options, however funds will be raised should Mr Keith exercise the Keith Options. The funds that would be raised on exercise of the Keith Options to be granted to Mr Keith are \$337,500. The Company intends to use these funds for the purpose of exploration and mining of rock phosphate.
- (f) The Board believes Mr Keith is deserving of recognition for his role in the Company through the issue of the Keith Options. The proposed offer of the Keith Options is intended to:
 - (i) provide an appropriate and adequate incentive;
 - (ii) ensure the Company may retain Mr Keith's service;

- (iii) reinforce the commitment of Mr Keith to the Company;
 - (iv) reflects the level of commitment provided or to be provided by Mr Keith to the Company, taking into account the responsibilities and time commitments required of him; and
 - (v) reflects the value Mr Keith brings to the Board, and to the enhancement of the Company and the level of commitment required by the Company from him.
- (g) Given the speculative nature of the Company's activities, it is considered the performance of the Directors and the performance and value of the Company are closely related. As such, the options granted will provide reward and incentive for future services provided to the Company to further the progress of the Company and to deliver growth and Shareholder value. In the Company's circumstances, the Directors considered that the allotment of the options provides a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g., cash bonuses or increased remuneration).

Further information in relation to Resolution 5 required to be disclosed to Shareholders under Listing Rule 10.13 and Section 219 of Corporations Act is set out in sections 5.4 and 5.5 below and Schedule 2 of this Notice.

5.4 Terms of issue for the Keith Options

If the Resolution is approved, the Keith Options will be issued shortly after the General Meeting, but in any event, within one month of the date of the Meeting, and on substantially the same terms as set out below.

Option consideration

The Keith Options will be granted for no monetary consideration and as consideration for his commitment to the Company as a non-executive Director.

Exercise Price

Each option will be exercisable at one of the following prices (each an **Exercise Price**):

- 150,000 options will have an Exercise Price of \$0.65 each;
- 150,000 options will have an Exercise Price of \$0.75 each; and
- 150,000 options will have an Exercise Price of \$0.85 each.

Each option will be exercisable by the option holder giving notice in writing to the Company, along with payment of the Exercise Price.

Exercise Period

The options will remain exercisable until the date that is 3 years after the date of issue (**Expiry Date**).

Any options which have not been exercised as at the Expiry Date will automatically lapse.

Shares issued on exercise

On the exercise of any option, the Company will issue one Share to the option holder and that Share will rank equally with all other Shares.

Quotation of Shares

On the exercise of any options, the Company will apply to the financial market on which its Shares are quoted for official quotation of the Shares issued upon the exercise of those options.

Participation in new issues

The options will only entitle the holder to participate in any new issues of securities by the Company to the extent that those options have been exercised and Shares have been issued in respect of those options before the closing date for determining entitlements under that new issue.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced to give the holders of options the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue.

Bonus issues

If the Company makes a bonus issue of Shares or other securities to its Shareholders (or pays a dividend to Shareholders in the form of newly issued Shares or other securities) (**Bonus Issue**) before some or all of the options held by the holder have been exercised, the number of Shares to be issued on exercising those options is to be increased by the number of Shares to which the holder would have been entitled had the options held by the holder at the record time for the Bonus Issue been exercised (and Shares issued) before the record time for the Bonus Issue. No change will be made to the Exercise Price of those options.

Adjustment for rights issue

If the Company makes a pro rata issue of Shares (other than a Bonus Issue) to existing Shareholders, the Exercise Price of an option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P - (S + D)]}{N + 1}$$

O = the old exercise price of the Option;

E = the number of underlying Shares to which one Option is exercisable;

P = the average market price per Share (weighted by reference to the volume) of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date;

S = the subscription price of a Share under the pro rata issue;

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue); and

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

Consolidations, subdivisions and reconstructions

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of Company, the number of Shares to which the holder of an option is entitled on exercise of the options held by the holder, will be reduced or increased in the same proportion as the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the consolidation, subdivision or reconstruction) and an appropriate adjustment will be made to the exercise price (as reasonably determined by the Company), to the effect that the total amount payable on the exercise of all options by the holder will not alter.

Adjustments for reorganisation

If there is any other form of reconstruction of the issued share capital of the Company whilst the Company is listed, the rights of the option holder may be varied by the Company to comply with the listing rules of the relevant financial market which apply to the reconstruction at the time of the reconstruction.

Quotation of Options

The options will be unlisted options. However, the Company reserves the right to apply for quotation of the options at such time as the Company in its absolute discretion determines.

Options transferable

The options are transferable subject to compliance with the Corporations Act and the proposed transferee first covenanting with the Company (on terms reasonably acceptable to the Company) to comply with the terms of the options.

Termination of Employment

Options can only be exercised while Mr Keith remains a Director of the Board. Should he resign from the Board for any reason or be unable to continue in his capacity as a Director, any unexercised options will lapse after 30 days.

5.5 Valuation of Options

The Keith Options are not currently quoted on the ASX and as such have no market value. The Keith Options each grant the holder a right to subscribe for one ordinary share in the Company upon exercise of the Keith Option (**Keith Share**) and payment of the exercise price (as disclosed in Table 1 below). Accordingly, the Keith Options may have a present value at the date of their issue.

The Keith Options may acquire future value dependent upon the extent to which the Keith Shares exceed the exercise price of the Keith Options during the term of the Keith Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- the period outstanding before the expiry date of the options;

- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (i.e. readily capable of being liquidated).

Based on the assumptions set out below, the Directors (excluding Mr Keith and Mr Penha due to a conflict of interest) have estimated the value of the Keith Options to be worth \$82,650 in total as at 30 September 2014.

The valuation was derived using the Black Scholes option valuation methodology and in accordance with applicable accounting standards, based on the following assumptions:

- the valuation date for the options is 30 September 2014, although the Keith Options will not be granted until Shareholders have approved the issue of the Keith Options;
- the price of a fully paid Share is based on the Share price of the Company on 30 September 2014 was 45 cents per share;
- the exercise price of the Keith Options are as disclosed in Table 1;
- the Keith Options are estimated to expire on 27 November 2017;
- a risk free rate of 2.73%;
- an expected volatility rate of 80% has been applied; and
- the Keith Options will be issued at a price of \$0.00.

| No of Options | Exercise Price (\$ per share) | Option Value (cents per option) | Total Value (\$) |
|----------------------|--|--|-----------------------------|
| 150,000 | 0.65 | 19.9 | 29,850 |
| 150,000 | 0.75 | 18.3 | 27,450 |
| 150,000 | 0.85 | 16.9 | 25,350 |
| TOTAL | | | 82,650 |

5.6 Directors' Recommendation

Mr Keith makes no recommendation on how to vote on Resolution 5, in light of his direct interest in the Resolution. Consistent with ASIC guidance in Regulatory Guide 76, all the remaining Directors abstain from making a recommendation in relation to this resolution in accordance with good corporate governance practice. The Chairman of the Meeting intends to vote available proxies in favour of this resolution.

6. RESOLUTION 6 - ISSUE OF OPTIONS TO ALEX PENHA

6.1 Background

As part of the remuneration of Mr Alex Penha as an alternate non-executive director of the Company to Mr Stephen Keith, the Directors under clause 2.1 of the Constitution of the Company have resolved to approve the allotment to Mr Penha (or to an entity associated with Mr Penha) of 450,000 options to acquire one fully paid ordinary share in the Company per option, subject to this Resolution being approved by Shareholders (**Penha Options**).

The terms of the Penha Options were approved by the Board on 28 July 2014 and the valuation of the Penha Options was considered on 30 September 2014.

Mr Penha is a related party of the Company under the Corporations Act 2001 (Cth) (Corporations Act) by virtue of his directorship in the Company.

Approval is being sought under Resolution 6 to approve the grant of the Penha Options to Mr Penha, as a reflection of Mr Penha's future contribution to the Company as a Director and to provide him with a continued commitment to the Company.

6.2 Reason for proposed Shareholder approval

The above approvals are sought for the purposes of:

- Chapter 2E of the Corporations Act, which governs the giving of financial benefits to directors and other 'related parties' of a company—the issue of the Penha Options will constitute a giving of a financial benefit to a related party under section 229(3)(e) of the Corporations Act and consequently, approval under section 208 of the Corporations Act is sought; and
- Listing Rule 10.11, which governs the issue of Equity Securities to directors and other 'related parties' of a company,

and for all other purposes.

In accordance with Listing Rule 7.2 (Exception 14), if Resolutions 6 is passed, separate shareholder approval under Listing Rule 7.1 is not required as the issue of the Penha Options will be approved by Shareholders under Listing Rule 10.11.

6.3 Information required by Listing Rule 10.13 and Section 219 of Corporations Act

For the purposes of the Listing Rule 10.13 and section 219 of the Corporations Act information regarding the Penha Options is provided as follows.

- (a) The maximum number of options to be issued to Mr Penha (or his nominee) is 450,000 options to acquire one fully paid ordinary share in the Company per option.
- (b) In determining the number of options to be granted, consideration was given to the relevant experience and role of Mr Penha and his overall remuneration terms. Mr Penha's remuneration package is set out in Schedule 2 of this Notice.
- (c) The dilutionary effect of the Penha options if all of the Penha options are exercised would be 1.0%. If all the other options issued or agreed to be issued by the Company were exercised then the fully diluted effect of the Penha options after all the other options were exercised would be 0.8%

- (d) Mr Penha or his related entities do not have any interest in the Company as at the date of this Notice of Meeting.
- (e) No funds are being raised by the grant of the Penha Options, however funds will be raised should Mr Penha exercise the Penha Options. The funds that would be raised on exercise of the Penha Options to be granted to Mr Penha are \$337,500. The Company intends to use these funds for the purpose of exploration and mining of rock phosphate.
- (f) The Board believes Mr Penha is deserving of recognition for his role in the Company through the issue of the Penha Options. The proposed offer of the Penha Options is intended to:
- (i) provide an appropriate and adequate incentive;
 - (ii) ensure the Company may retain Mr Penha's service;
 - (iii) reinforce the commitment of Mr Penha to the Company;
 - (iv) reflects the level of commitment provided or to be provided by Mr Penha to the Company, taking into account the responsibilities and time commitments required of him; and
 - (v) reflects the value Mr Penha brings to the Board, and to the enhancement of the Company and the level of commitment required by the Company from him.
- (g) Given the speculative nature of the Company's activities, it is considered the performance of the Directors and the performance and value of the Company are closely related. As such, the options granted will provide reward and incentive for future services provided to the Company to further the progress of the Company and to deliver growth and Shareholder value. In the Company's circumstances, the Directors considered that the allotment of the options provides a cost effective and efficient incentive as opposed to alternative forms of incentives (e.g., cash bonuses or increased remuneration).

Further information in relation to Resolution 6 required to be disclosed to Shareholders under Listing Rule 10.13 and Section 219 of Corporations Act is set out in sections 6.4 and 6.5 below and Schedule 2 of this Notice.

6.4 Terms of issue for the Penha Options

If the Resolution is approved, the Penha Options will be issued shortly after the General Meeting, but in any event, within one month of the date of the Meeting, and on substantially the same terms as set out below.

Option consideration

The Penha Options will be granted for no monetary consideration and as consideration for his commitment to the Company as a non-executive Director.

Exercise Price

Each option will be exercisable at one of the following prices (each an **Exercise Price**):

- 150,000 options will have an Exercise Price of \$0.65 each;

- 150,000 options will have an Exercise Price of \$0.75 each; and
- 150,000 options will have an Exercise Price of \$0.85 each.

Each option will be exercisable by the option holder giving notice in writing to the Company, along with payment of the Exercise Price.

Exercise Period

The options will remain exercisable until the date that is 3 years after the date of issue (**Expiry Date**).

Any options which have not been exercised as at the Expiry Date will automatically lapse.

Shares issued on exercise

On the exercise of any option, the Company will issue one Share to the option holder and that Share will rank equally with all other Shares.

Quotation of Shares

On the exercise of any options, the Company will apply to the financial market on which its Shares are quoted for official quotation of the Shares issued upon the exercise of those options.

Participation in new issues

The options will only entitle the holder to participate in any new issues of securities by the Company to the extent that those options have been exercised and Shares have been issued in respect of those options before the closing date for determining entitlements under that new issue.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced to give the holders of options the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue.

Bonus issues

If the Company makes a bonus issue of Shares or other securities to its Shareholders (or pays a dividend to Shareholders in the form of newly issued Shares or other securities) (**Bonus Issue**) before some or all of the options held by the holder have been exercised, the number of Shares to be issued on exercising those options is to be increased by the number of Shares to which the holder would have been entitled had the options held by the holder at the record time for the Bonus Issue been exercised (and Shares issued) before the record time for the Bonus Issue. No change will be made to the Exercise Price of those options.

Adjustment for rights issue

If the Company makes a pro rata issue of Shares (other than a Bonus Issue) to existing Shareholders, the Exercise Price of an option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P - (S + D)]}{N + 1}$$

- O = the old exercise price of the Option;
- E = the number of underlying Shares to which one Option is exercisable;
- P = the average market price per Share (weighted by reference to the volume) of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date;
- S = the subscription price of a Share under the pro rata issue;
- D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

Consolidations, subdivisions and reconstructions

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of Company, the number of Shares to which the holder of an option is entitled on exercise of the options held by the holder, will be reduced or increased in the same proportion as the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the consolidation, subdivision or reconstruction) and an appropriate adjustment will be made to the exercise price (as reasonably determined by the Company), to the effect that the total amount payable on the exercise of all options by the holder will not alter.

Adjustments for reorganisation

If there is any other form of reconstruction of the issued share capital of the Company whilst the Company is Listed, the rights of the option holder may be varied by the Company to comply with the listing rules of the relevant financial market which apply to the reconstruction at the time of the reconstruction.

Quotation of Options

The options will be unlisted options. However, the Company reserves the right to apply for quotation of the options at such time as the Company in its absolute discretion determines.

Options transferable

The options are transferable subject to compliance with the Corporations Act and the proposed transferee first covenanting with the Company (on terms reasonably acceptable to the Company) to comply with the terms of the options.

Termination of Employment

Options can only be exercised while Mr Penha remains a Director or alternate Director of the Board. Should he resign or be removed from the Board for any reason or be unable to continue in his capacity as a Director or alternate Director, any unexercised options will lapse after 30 days.

6.5 Valuation of Options

The Penha Options are not currently quoted on the ASX and as such have no market value. The Penha Options each grant the holder a right to subscribe for one ordinary share in the Company upon exercise of the Penha Option (**Penha Share**) and payment of the exercise price (as disclosed in Table 1 below). Accordingly, the Penha Options may have a present value at the date of their issue.

The Penha Options may acquire future value dependent upon the extent to which the Penha Shares exceed the exercise price of the Penha Options during the term of the Penha Options.

As a general proposition, options to subscribe for ordinary fully paid shares in a company have value. Various factors impact upon the value of options including things such as:

- the period outstanding before the expiry date of the options;
- the exercise price of the options relative to the underlying price or value of the securities into which they may be converted;
- the proportion of the issued capital as expanded consequent upon exercise represented by the shares issued upon exercise (i.e. whether or not the shares that might be acquired upon exercise of the options represent a controlling or other significant interest);
- the value of the shares into which the options may be converted; and
- whether or not the options are listed (i.e. readily capable of being liquidated).

Based on the assumptions set out below, the Directors (excluding Mr Penha and Mr Keith due to a conflict of interest) have estimated the value of the Penha Options to be worth \$82,650 in total as at 30 September 2014.

The valuation was derived using the Black Scholes option valuation methodology and in accordance with applicable accounting standards, based on the following assumptions:

- the valuation date for the options is 30 September 2014, although the Penha Options will not be granted until Shareholders have approved the issue of the Penha Options;
- the price of a fully paid Share is based on the Share price of the Company on 30 September 2014 was 45 cents per share;
- the exercise price of the Penha Options are as disclosed in Table 2;
- the Penha Options are estimated to expire on 27 November 2017;
- a risk free rate of 2.73%;
- an expected volatility rate of 80% has been applied; and
- the Penha Options will be issued at a price of \$0.00.

| TABLE 2 | | | |
|----------------------|--|--|-----------------------------|
| No of Options | Exercise Price (\$ per share) | Option Value (cents per option) | Total Value (\$) |
| 150,000 | 0.65 | 19.9 | 29,850 |
| 150,000 | 0.75 | 18.3 | 27,450 |
| 150,000 | 0.85 | 16.9 | 25,350 |
| | | | |
| TOTAL | | | 82,650 |

6.6 Directors' Recommendation

Mr Penha makes no recommendation on how to vote on Resolution 6, in light of his direct interest in the Resolution. Consistent with ASIC guidance in Regulatory Guide 76, all the remaining Directors abstain from making a recommendation in relation to this resolution in accordance with good corporate governance practice. The Chairman of the Meeting intends to vote available proxies in favour of this resolution.

7. RESOLUTION 7 – APPROVAL OF EMPLOYEE SHARE PLAN

7.1 Background

Resolution 7 seeks Shareholders approval for the adoption of the new incentive scheme titled FertoZ Employee Share Plan (**Share Plan**) for the purposes of:

- (a) ASX Listing Rule 7.2 (Exception 9(b)) as an exception to ASX Listing Rule 7.1;
- (b) section 259B(2) of the Corporations Act (which relates to the Company taking security over its own shares); and
- (c) section 260C(4) of the Corporations Act (which relates to the Company or a subsidiary giving financial assistance to employees to acquire shares under the Share Plan).

The significance of these approvals is discussed in sections 7.2, 7.3 and 7.4 below.

7.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue Shares under the Share Plan (**Plan Shares**) to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

7.3 The Company taking security over its own shares under the Share Plan

The Company is generally prohibited by the Corporations Act from taking security (for example, a mortgage or charge) over its own shares. However, under section 259B(2) of the Corporations Act, the Company is permitted to take security over its own shares under an employee share scheme (such as the Share Plan) which has been approved by Shareholders.

Taking security over Plan Shares issued under the Plan is designed to protect the Company if a participant is, or becomes, insolvent. For this reason, approval is being sought under section 259B(2) of the Corporations Act.

7.4 Financial assistance

Under the Corporations Act, the Company and its subsidiaries (**Lender**) are, in general, only permitted to financially assist a person to acquire shares in the Company if giving the assistance does not materially prejudice:

- (a) the interests of the Lender or its shareholders; or
- (b) the Lender's ability to pay its creditors.

However, under section 260C(4) of the Corporations Act, a Lender is permitted to financially assist a person to acquire shares in the Company under the Plan if approved by the Company's Shareholders (and the shareholders of the Lender, if a subsidiary).

The issue of Plan Shares under the Share Plan will involve a Lender financially assisting the Company's eligible employees to acquire Plan Shares (by virtue of the loans to be used to acquire the Plan Shares). Shareholder approval is being sought so that the Share Plan satisfies the requirements of the exemption under section 260C(4), allowing the Lender to make loans under the Share Plan.

7.5 Employee Share Plan

Shareholders should note that no Plan Shares have previously been issued under the Share Plan. However, Resolution 8 seeks Shareholder approval to issue shares to Mr Les Szonyi (Managing Director and Chief Executive Officer of the Company) under the Share Plan. The Board also intends to issue shares to Management personnel, Mr Jo Shearer (Chief Operating Officer of the Company's operations in Canada) and Mr Julien McNally (Company Secretary and Chief Financial Officer of the Company), subject to Shareholder approval, if required under the Listing Rules or Corporations Act.

The objective of the Share Plan is to attract, motivate and retain key employees and consultants and it is considered by the Company that the adoption of the Share Plan and the future issue of Plan Shares will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Plan Shares to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolution 8 for the issue of Plan Shares to Mr Szonyi.

A summary of the key terms and conditions of the Plan is set out below. In addition, a copy of the Share Plan is available for review by Shareholders upon request to the Managing Director (Mr Les Szonyi). Shareholders are invited to contact the Company if they have any queries or concerns on +61 (0)7 3396 0024 or +61 (0)418 158 185.

7.6 Material terms and conditions of the Share Plan

The key terms of the Share Plan are as follows:

(a) **Eligibility:** Participants in the Scheme may be Directors, full-time and part-time employees, consultants or independent contractors of the Company or any of its subsidiaries (**Participants**).

(b) **Administration of Plan:** The Board is responsible for the operation of the Share Plan and has a broad discretion to determine which Participants will be offered Shares under the Share Plan.

(c) **Offer:** The Board may issue an offer to a Participant to participate in the Share Plan. The offer (among other things):

- (i) will invite application for the number of Shares specified in the offer;
- (iii) may invite applications for a loan up to the amount payable in respect of the Shares accepted by the Participant in accordance with the offer;
- (iv) will specify any performance hurdles applying to the Shares;
- (v) will specify an acceptance period; and
- (vi) specify any other terms and conditions attaching to the Shares.

(d) **Issue price:** the issue price of each Plan Share will be not less the volume weighted average price at which Shares were traded on the ASX over the 5 trading days up to and including the actual date on which the Board (in its sole and absolute discretion) accepts the relevant Participant's Acceptance Form (in relation to the Participant's acceptance of the Plan Shares) offered under the offer, subject to shareholder approval if required.

(e) **Performance hurdles and restriction on transfer:** Plan Shares may be subject to performance hurdles (such as performance criteria as determined by the Board) which must be satisfied before the Plan Shares can be sold, transferred, or encumbered by the Participant. Shares cannot be sold, transferred or encumbered by the Participant until, subject to any performance hurdles being satisfied (or waived by the Board in its sole and absolute discretion), the later of: (i) the date any loan in relation to the Shares has been repaid or otherwise discharged under the Share Plan; or (ii) the third anniversary of the date the Plan Shares were issued. The Company is authorised to impose a holding lock on the Plan Shares to implement this restriction.

(f) **Loan:** A Participant who is invited to subscribe for Plan Shares may also be invited to apply for a loan up to the amount payable in respect of the Shares accepted by the Participant (**Loan**), on the following terms:

- (i) the Loan will be interest free;
- (ii) the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Plan Shares;
- (iii) the Loan repayment date and the manner for making such payments shall be determined by the Board and set out in a loan agreement which accompanies the offer;
- (iv) the Company shall have a lien over the Plan Shares in respect of which a Loan is outstanding and the Company shall be entitled to sell those Plan Shares in accordance with the terms of the Share Plan;

(v) a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates; and

(vi) the Board, by unanimous decision may, in its absolute discretion, agree to forgive a Loan made to a Participant.

(g) **Unfulfilled Performance Hurdle:** Where a performance hurdle in relation to Plan Shares is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board, the Company must, unless the restriction condition is waived by the Board (in its sole and absolute discretion), then:

- (i) the Participant will forfeit all of the Plan Shares
- (ii) the Company will sell the Plan Shares held by the Participant, and any sale proceeds will constitute full settlement of any Loan (and any other outstanding amounts) related to the Plan Shares (including the Company's reasonable costs of selling the Plan Shares)
- (iii) the Participant will have no entitlement to any sale proceeds, and
- (iv) the Participant will have no further entitlement under the Share Plan.

(i) **Power of Attorney:** The Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Share Plan.

(j) **Plan limit:** The Company must take reasonable steps to ensure that the number of Plan Shares offered by the Company under the Share Plan when aggregated with:

- (i) the number of Shares issued during the previous 5 years under the Share Plan (or any other employee share plan extended only to eligible employees); and
- (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted, does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).

(k) **Quotation on ASX:** The Company will apply for each Plan Share to be admitted to trading on ASX upon issue of the Plan Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Plan Shares.

(l) **Rights attaching to Shares:** Each Plan Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Share Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

7.7 Directors' Recommendation

Consistent with ASIC guidance in Regulatory Guide 76 the Directors abstain from making a recommendation in relation to this resolution in accordance with good corporate governance practice and a potential conflict of interest. The Chairman of the Meeting intends to vote available proxies in favour of this resolution.

8. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO DIRECTOR UNDER EMPLOYEE SHARE PLAN – MR LES SZONYI

8.1 Background

The Company seeks the approval of Shareholders to issue Les Szonyi (Managing Director and Chief Executive Officer of the Company) 1 million Plan Shares (**Szonyi Shares**) under the Employee Share Plan and on the terms and conditions in the Employee Share Plan (and the terms and conditions set out in section 8.3 of this Notice), including the grant of a loan to Mr Szonyi to acquire the Plan Shares.

The above Shareholder approval is sought for the purposes of:

- Chapter 2E of the Corporations Act, which governs the giving of financial benefits to directors and other 'related parties' of a company—the issue of the Szonyi Shares will constitute a giving of a financial benefit to a related party under section 229(3)(e) of the Corporations Act and consequently, approval under section 208 of the Corporations Act is sought; and
- Listing Rule 10.14, which provides that, an entity must only allow a Director or their associates to acquire securities under an employee incentive scheme with the approval of Shareholders,

and for all other purposes.

8.2 ASX Listing Rule 10.14

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

An exception to ASX Rule 10.11 is set out in ASX Listing Rule 10.12 (exception 4) which provides that ASX Listing Rule 10.11 does not apply to issue made with the approval of Shareholders under ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that an entity must only allow a Director or their associates to acquire securities under an employee incentive scheme with approval of Shareholders and provided the Notice of Meeting complies with ASX Listing Rules 10.15 or 10.15A.

Subject to Shareholders passing resolution 7, the Company is able to issue Shares under the Share Plan (**Plan Shares**) to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period. The Listing Rules require, however, that specific approval be obtained for the issue of shares to Directors.

In accordance with Listing Rule 7.2 (Exception 14), if Resolution 8 is passed, separate shareholder approval under Listing Rule 7.1 is not required as the issue of the Plan Shares to Mr Szonyi will be approved by Shareholders under Listing Rule 10.11.

8.3 Terms and Conditions

- (a) **Offer:** It is proposed to offer Les Szonyi 1 million Plan Shares under the Employee Share Plan.
- (b) **Issue Price:** The issue price of each Plan Share will be not less the volume weighted average price at which Shares were traded on the ASX over the 5 trading days up to and including the actual date on which the Board (in its sole and absolute discretion) accepts the relevant Participant's Acceptance Form (in relation to the Participant's acceptance of the Plan Shares).
- (c) **Performance hurdle:**
 - (i) The performance hurdle in respect of the issue of the first tranche of 500,000 Plan Shares will be satisfied when the volume weighted average share price for five continuous trading days on the ASX is a minimum of **70 cents**
 - (ii) The performance hurdle in respect of the issue of the second tranche of 500,000 Plan Shares will be satisfied when the volume weighted average share price for five continuous trading days on the ASX is a minimum of **90 cents**
- (d) **Term:** Term is three years from date of approval by Shareholders.
- (e) **Loan:** Loan is an interest free loan to allow Les Szonyi to be allotted the Plan Shares.

8.4 Information required by Listing Rule 10.15 and Section 219 of Corporations Act

For the purposes of the Listing Rule 10.15 and section 219 of the Corporations Act information regarding the Szonyi Shares is provided as follows.

- (a) Shareholders should note that no Plan Shares have previously been issued under the Share Plan.
- (b) The dilutionary effect of the issue of the Szonyi Shares if all of the Performance Hurdles are met would be 2.2%. If the options currently on issue in the Company were exercised (including the Keith Options and Penha Options, subject to their issue being approved by Shareholders at the Meeting) then the fully diluted effect of the issue of the Szonyi Shares would be 1.7%.
- (c) Les Szonyi's remuneration package is set out in Schedule 2 of this Notice.
- (d) The material terms of the interest free loan to be granted to Les Szonyi to allow him to be allotted the Szonyi Shares are detailed in section 7.6(f) of this Notice.
- (e) Under the Share Plan, only 'Eligible Employees' (as set out in section 7.6(a) of this Notice) whom the Board decides is to receive an offer under the Share Plan, are entitled to participate in the Share Plan. Mr Szonyi has been determined to be an 'Eligible Employee' for the purposes of the Share Plan.
- (f) If this Resolution 8 is approved, the Szonyi Shares will be issued shortly after the General Meeting, but in any event, within 12 months of the date of the Meeting.

- (g) Mr Szonyi's existing interests in Fertoz are 690,438 Ordinary Shares and 2,461,540 Options.

Further information in relation to Resolution 8 required to be disclosed to Shareholders under Listing Rule 10.15 and Section 219 of Corporations Act is set out in section 8.5 below and Schedule 2 to this Notice.

8.5 Valuation of Szonyi Shares

Based on the assumptions set out below, the Board has estimated the value of the Szonyi Shares to be worth \$177,000 in total as at 30 September 2014.

The valuation was derived using the Black Scholes option valuation methodology and in accordance with applicable accounting standards, based on the following assumptions:

- the price of a fully paid Plan Share is based on the Share price of the Company on 30 September 2014 was 45 cents per share;
- the exercise price of the Szonyi Shares are as disclosed in Table 3;
- the Szonyi Shares are estimated to expire on 27 November 2017;
- a risk free rate of 2.73%;
- an expected volatility rate of 80% has been applied; and
- the Szonyi Shares are assumed to be issued at an indicative price of \$0.45.

| No of Options | Exercise Price (\$ per share) | Share Value (cents per share) | Total Value (\$) |
|----------------------|--------------------------------------|--------------------------------------|-------------------------|
| 500,000 | 0.70 | 19.1 | 95,500 |
| 500,000 | 0.90 | 16.3 | 81,500 |
| TOTAL | | | 177,000 |

8.6 Directors' Recommendation

Mr Szonyi makes no recommendation on how to vote on Resolution 8, in light of his direct interest in the Resolution. Consistent with ASIC guidance in Regulatory Guide 76, all the remaining Directors abstain from making a recommendation in relation to this resolution in accordance with good corporate governance practice. The Chairman of the Meeting intends to vote available proxies in favour of this resolution.

9. RESOLUTION 9 - ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES

9.1 Introduction

Under Resolution 9, the Company is seeking shareholder approval to create an ability to issue up to an additional 10% of the issued share capital of the Company under ASX Listing Rule 7.1A (**10% Placement**) over a 12 month period from the date of the Annual General Meeting (**AGM**). Resolution 9 is a Special Resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote. The 10% Placement is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

9.2 Any Equity Securities issued under the 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company. Eligibility criteria

Under Listing Rule 7.1A an "eligible entity" may, subject to shareholder approval by way of Special Resolution, issue Shares comprising up to 10% of its issued share capital in addition to the normal 15% new issue capacity under Listing Rule 7.1. An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an "eligible entity".

9.3 Placement capacity under Listing Rule 7.1 and 7.1A.

The 10% Placement is for a period of 12 months from the date of the AGM and is in addition to a listed entity's usual 15% placement capacity under Listing Rule 7.1. As at the date of finalisation of this Notice of Meeting, the Company has 45,009,595 Shares on issue and therefore, in addition to any other Shares which it can issue under the permitted exceptions to Listing Rules 7.1 and 7.1A, it has the capacity to issue:

- 6,751,439 Shares under Listing Rule 7.1; and
- *subject to shareholder approval being obtained under Resolution 9, 4,500,960 Shares under Listing Rule 7.1A.*

The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula in Listing Rule 7.1A.2 (refer to section 9.4 below).

9.4 Formula for calculating 10% Placement

Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 'placement period' (see section 9.6 below), a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

Where:

- A** is the number of ordinary securities on issue 12 months before the date of issue or agreement to issue:
- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
 - plus the number of partly paid ordinary securities that became fully paid in the 12 months;
 - plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4 (but note that this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval); and

- less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are *not* issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

9.5 Minimum issue price

In accordance with Listing Rule 7.1A, Shares issued by the Company under a 10% Placement can only be issued at a price that is not less than 75% of the VWAP (volume weighted average price) of the Shares calculated over the 15 trading days on which trades in its Shares were recorded immediately before:

- the date on which the issue price of the Shares is agreed; or
- the issue date (if the Shares are not issued within five trading days of the date on which the issue price is agreed).

9.6 Placement period

Shareholder approval under Listing Rule 7.1A is valid from the date of this AGM until the earlier to occur of:

- 12 months after the date of the AGM; and
- the date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

9.7 Dilution to existing shareholdings

If Resolution 9 is approved by Shareholders and the Company issues Shares under the 10% Placement, there is a risk of economic and voting dilution to existing Shareholders as a result. Further, as the market price of the Company's Shares may be significantly lower on the issue date than on the date of AGM approval, and because the Shares may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement may raise less funding than it would based on current market prices.

As required by Listing Rule 7.3A.2, the table below shows a number of hypothetical scenarios for a 10% Placement where variable "A" in the formula in Listing Rule 7.1A.2 (representing the Company's share capital) has increased by either 50% or 100%, and the share price has decreased by 50% or increased by 100% from the approximate share price as at the date of finalisation of this Notice of Meeting.

Dilution table

| Share Capital Variable 'A' in Listing Rule 7.1A.2 | | 50% decrease in issue price \$0.225 per share | Issue Price \$0.45 per share | 100% increase in issue price \$0.90 per share |
|---|--------------|---|---------------------------------|---|
| Current Issued Shares 45,009,595 Shares | No of Shares | 4,500,960 | 4,500,960 | 4,500,960 |
| | Funds raised | \$ 1,012,716 | \$ 2,025,432 | \$ 4,05,086 |
| 50% increase in current Variable 'A' 67,514,393 Shares | No of Shares | 6,751,439 | 6,751,439 | 6,751,439 |
| | Funds raised | \$ 1,519,074 | \$ 3,038,148 | \$ 6,076,295 |
| 100% increase in current Variable 'A' 90,019,190 Shares | No of Shares | 9,001,919 | 9,001,919 | 9,001,919 |
| | Funds raised | \$ 2,025,432 | \$ 4,050,864 | \$ 8,101,727 |

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur:

- (a) the Company issues the maximum number of Shares available under the 10% Placement;
- (b) any increase in Variable A (being the issued share capital at the time of issue) is due to an issue of Shares which is an exception in Listing Rule 7.2, for example a pro-rata rights issue. However, a 15% placement under Listing Rule 7.1 does not increase variable "A" for the purposes of calculating the placement capacity under Listing Rule 7.1A;
- (c) the table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (d) no options are exercised into Shares before the date of the issue of the Shares under the 10% Placement;
- (e) the issue of Equity Securities under the 10% Placement consists only of Shares;
- (f) the table does not show the dilution that may be caused to any particular Shareholder by reason of placements under Listing Rule 7.1A, based on that Shareholder's holding at the date of the AGM. For instance, Shareholders will have different outcomes depending on whether or not they participate in a pro-rata issue which has the effect of increasing variable "A"; and
- (g) the Issue Price is assumed to be \$0.45, being the closing Share price on 10 October 2014.

9.8 Purpose of the 10% Placement

The Company may seek to issue Shares under the 10% Placement for either:

- a cash issue price. In this case, the Company may use the funds for working capital or for other corporate purposes; or
- non-cash consideration, such as for the acquisition of new assets or investments, subject to any applicable ASX requirements.

In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted above.

9.9 Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% Placement. The identity of the allottees under the 10% Placement will be determined on a case by case basis having regard to the factors including the following:

- the methods of raising funds that are available to the Company, including a rights issue or other issue in which existing Shareholders can participate;
- the effect of the issue of the Shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement have not been determined as at the date of finalisation of this Notice of Meeting and may include existing substantial Shareholders and/or new Shareholders, but the allottees cannot include any Directors, related parties or associates of a related party of the Company without a further specific Shareholder approval.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Shares under the 10% Placement.

9.10 Previous approval

The Company obtained Shareholder approval under Listing Rule 7.1A on 27 November 2013. The Company has not issued any Equity Securities pursuant to Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting.

9.11 Voting exclusion statement

A voting exclusion statement is included for Resolution 9 in the Notice of Meeting accompanying the Explanatory Statement. At the date of the Notice of Meeting, the proposed allottees of any Shares to be issued under the 10% Placement (if approved by Shareholders) are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Shares the subject of Resolution 9), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

9.12 Recommendation

The Directors believe that Resolution 9 will provide the Company with flexibility to raise capital quickly if advantageous terms are available, and is in the best interests of the Company. The Directors recommend that Shareholders vote in favour of this Resolution.

Schedule 1 - Glossary

\$ means Australian dollars.

Annual Report means the Company's annual report for the financial year ending 30 June 2014.

ASX means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Chair means the chairperson of the General Meeting.

Closely Related Party has the meaning given to that term in the Corporations Act and, in relation to a member of the Key Management Personnel, includes:

- a spouse or child of that member;
- a child of that member's spouse;
- a dependant of that member or of that member's spouse;
- anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company (or its controlled entities); and
- a company that member controls.

Company means FertoZ Ltd ACN 145 951 622.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors means the current directors of the Company.

Equity Securities has the meaning given to that term in the ASX Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Keith Options has the meaning given in section 5.1 of this Notice.

Key Management Personnel means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice, Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

options means options to acquire Shares.

Penha Options has the meaning given in section 6.1 of this Notice.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the report of that name set out in the Annual Report.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Schedule means a schedule to this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Special Resolution means is passed by at least 75% of the votes cast by Members entitled to vote on the resolution and present at the meeting (in person, by proxy, attorney or representative).

Szonyi Shares has the meaning given in section 8.1 of this Notice.
Words importing the singular include the plural and vice versa.

SCHEDULE 2 – Further information in relation to Resolutions 5, 6 and 8

1. Disclosure of remuneration package of Stephen Keith, Alex Penha and Les Szonyi

Details of the Directors' remuneration for the financial year ending 30 June 2015 is as set out in the below table.

| Director | Salary & Fees | Bonus | Other * | Superannuation | Value of financial benefit |
|---------------|---------------|-------|---------|----------------|--|
| Stephen Keith | \$16,500 | \$0 | \$0 | \$0 | \$82,650 (value of the Keith Options) |
| Alex Penha | \$16,500 | \$0 | \$0 | \$0 | \$82,650 (value of the Penha Options) |
| Les Szonyi | \$305,000 | \$0 | \$0 | \$25,000 | \$177,000 (value of the Szonyi Shares) |

* Notes: The Directors are also entitled to reimbursement of all travelling and other expenses properly incurred by the Directors in connection with the affairs of the Company, including attending and returning from general meetings of the Company or meetings of the Directors.

2. All other information reasonably required by Shareholders

For the purposes of the Listing Rule 10.13 and Section 219 of the Corporations Act, other than the information specified in this Explanatory Memorandum (including this Schedule 2), the Directors are not aware of any other information that would be reasonably required by the Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 5, 6 and 8.

Market Price Movements

The valuation of the Keith Options (in section 5.5), Penha Options (in section 6.5) and Szonyi Shares (in section 8.5) is based on a market price per Share of \$0.45. There is a possibility that the market price of the Shares will change up to the date of the Annual General Meeting. In the 12 months prior to the valuations, the Company's trading history is as follows:

1. The highest trading price was \$0.63 on 11 June 2014.
2. The lowest trading price was \$0.325 on 20 January 2014.
3. The most recent trading price of the Shares on the close of trading on 10 October 2014 was \$0.45 per Share.

Other information

Other than the information specified in this Explanatory Memorandum the directors are not aware of any other information that would be reasonably required by the Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 5, 6 and 8.

Fertoz Limited

ACN 145 951 622

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 1:00 pm (AEDT) Wednesday 26 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



www.investorcentre.com

View your securityholder information, 24 hours a day, 7 days a week:

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Fertoz Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Fertoz Limited to be held at Blackwood Capital Ltd, Level 12, 139 Macquarie Street, Sydney NSW 2000 on Friday, 28 November 2014 at 1:00pm (AEDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 4, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Items 4, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 4, 5, 6, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | | For | Against | Abstain |
|---|---|--------------------------|--------------------------|--------------------------|
| 1 | Re-election of Mr Adrian Byass | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Ratification of Mr Stephen Keith as a Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | Ratification of Mr Alex Penha as an alternative Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 | Issues of options to Stephen Keith | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 | Issue of options to Alex Penha | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 | Approval of Employee Share Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 | Approval of issue of shares to Director under Employee Share Plan - Mr Les Szonyi | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 | Additional Capacity to issue Equity Securities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____ / ____ / ____