

# Notice of General Meeting and Explanatory Memorandum

---

Site Group International Limited ACN 003 201 910

Date of Meeting: 15 June 2012

Time of Meeting: 11.30am (Brisbane time)

Place of Meeting: Level 4, 96 Albert Street, Brisbane, Queensland

# Notice of General Meeting

Notice is given that the General Meeting of Shareholders of Site Group International Limited ACN 003 201 910 (**Company**) will be held at the offices of Site Group International Limited, Level 4, 96 Albert Street, Brisbane, Queensland, on 15 June 2012 at 11.30am (Brisbane time).

## Agenda

### Ordinary business

#### 1. Resolution 1 - Approval of issue of Shares to Cyba Recruitment Limited

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That, subject to Resolution 2 being passed and in accordance with the provisions of Listing Rule 7.1 of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders approve the issue of 3,000,000 fully paid ordinary shares in the Company to Cyba Recruitment Limited (**Cyba**).”

##### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Cyba; and
- any associate of Cyba.

However, the Company need not disregard a vote if:

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

#### 2. Resolution 2 - Approval of issue of Shares to The J & L Rodgers Family Trust

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That, subject to Resolution 1 being passed and in accordance with the provisions of Listing Rule 7.1 of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders approve the issue of 3,000,000 fully paid ordinary shares in the Company to John Gilbert Rodgers and Linda Marija Rodgers as trustees for The J & L Rodgers Family Trust (**Rodgers Family Trust**).”

##### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Rodgers Family Trust; and
- any associate of Rodgers Family Trust.

However, the Company need not disregard a vote if:

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

# Notice of General Meeting

## 3. Resolution 3 – Approval of issue of Shares under the Cyba Consultant Incentive Share Deed

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That, subject to Resolutions 1 and 2 being passed and in accordance with the provisions of Listing Rule 7.1 of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders approve the issue of a total of 1,500,000 fully paid ordinary shares in the Company under the Cyba Consultant Incentive Share Deed to Brett McPhee and John Gilbert Rodgers (or their respective nominees) (**Cyba Consultants**) being consultants providing services to the Company through Cyba Recruitment Limited.”

### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- the Cyba Consultants; and
- any associate of the Cyba Consultants.

However, the Company need not disregard a vote if:

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

## 4. Resolution 4 – Approval of Amended Employee Share Scheme

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with the provisions of Listing Rule 7.2 (Exception 9) of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders approve the issue of securities under the Site Group International Limited Employee Share Plan approved by the Board on 31 October 2011 as an exception to Listing Rule 7.1 as amended by the Board on 23 March 2012 (**Amended Plan**).”

### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- the Directors of the Company (except any who are ineligible to participate in any employee incentive scheme in relation to the Company); and
- any associate of those Directors of the Company.

However, the Company need not disregard a vote if:

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

# Notice of General Meeting

**Notes:**

- In accordance with Listing Rule 7.2 (Exception 9), a summary of the Amended Plan is set out in the Explanatory Memorandum.

## 5. Resolution 5 – Ratification of Issue of Shares to Full or Part Time Employees

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with the provisions of Listing Rule 7.4 of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders ratify the previous issue of 7,030,000 fully paid ordinary shares in the Company (as a result of the issue of shares at an issue price of \$0.20 per Share on or about 8 May 2012) to full or part time employees of the Company (**Employee Recipients**).”

**Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- the Employee Recipients; and
- any associate of the Employee Recipients.

However, the Company need not disregard a vote if:

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

## 6. Resolution 6 – Approval of issue of Shares to Shaun Scott

---

To consider and, if thought fit, pass the following resolution, as a Special Resolution of the Company with or without modification:

“That in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 1,000,000 fully paid ordinary shares to Shaun Scott, being a Non-Executive Director of the Company, or his nominee on the same terms as shares issued to eligible employees under the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

# Notice of General Meeting

## **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- Shaun Scott; and
- any associate of Shaun Scott.

However, the Company need not disregard a vote if:

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

## **Notes:**

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with sections 218 and 260B(5) of the Corporations Act 2001 (Cth).
- This Resolution is a Special Resolution and will be passed if 75% or more of votes cast by shareholders entitled to vote are cast in favour of the resolution.

## **7. Resolution 7 – Approval of issue of Shares to Darryl Somerville**

---

To consider and, if thought fit, pass the following resolution, as a Special Resolution of the Company with or without modification:

“That in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 1,000,000 fully paid ordinary shares to Darryl Somerville, being a Non-Executive Director of the Company, or his nominee on the same terms as shares issued to eligible employees under the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

## **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- Darryl Somerville; and
- any associate of Darryl Somerville.

However, the Company need not disregard a vote if:

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

## **Notes:**

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with sections 218 and 260B(5) of the Corporations Act 2001 (Cth).

# Notice of General Meeting

- This Resolution is a Special Resolution and will be passed if 75% or more of votes cast by shareholders entitled to vote are cast in favour of the resolution.

## 8. Resolution 8 – Approval of issue of Shares to Nicasio Alcantara

To consider and, if thought fit, pass the following resolution, as a Special Resolution of the Company with or without modification:

“That in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 1,000,000 fully paid ordinary shares to Nicasio Alcantara, being a Non-Executive Director of the Company, or his nominee on the same terms as shares issued to eligible employees under the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

### Voting exclusion statement

The Company will disregard any votes cast on this Resolution by:

- Nicasio Alcantara; and
- any associate of Nicasio Alcantara.

However, the Company need not disregard a vote if:

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

### Notes:

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with sections 218 and 260B(5) of the Corporations Act 2001 (Cth).
- This Resolution is a Special Resolution and will be passed if 75% or more of votes cast by shareholders entitled to vote are cast in favour of the resolution.

## 9. Resolution 9 – Approval of issue of Shares to Vernon Wills

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with section 208(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 2,000,000 fully paid ordinary shares to Vernon Wills, being an Executive Director of the Company, or his nominee in accordance with the terms of the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

# Notice of General Meeting

## **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- Vernon Wills; and
- any associate of Vernon Wills.

However, the Company need not disregard a vote if:

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

## **Notes:**

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with section 218 of the Corporations Act 2001 (Cth).

## **10. Resolution 10 – Approval of issue of Shares to Blake Wills**

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with section 208(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 250,000 fully paid ordinary shares to Blake Wills, being a related party and employee of the Company, or his nominee in accordance with the terms of the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

## **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- Blake Wills; and
- any associate of Blake Wills.

However, the Company need not disregard a vote if:

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

## **Notes:**

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with section 218 of the Corporations Act 2001 (Cth).

# Notice of General Meeting

## 11. Resolution 11 – Approval of issue of Shares to Jamie Wills

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with section 208(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules, and for all other purposes, the Company be authorised to issue 250,000 fully paid ordinary shares to Jamie Wills, being a related party and employee of the Company, or his nominee in accordance with the terms of the Site Group International Limited Employee Share Plan and otherwise on the terms set out in this Explanatory Memorandum.”

### **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- Jamie Wills; and
- any associate of Jamie Wills.

However, the Company need not disregard a vote if:

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

### **Notes:**

- A copy of this Notice and the Explanatory Memorandum which accompanies this Notice has been lodged with the Australian Securities & Investments Commission in accordance with section 218 of the Corporations Act 2001 (Cth).

## 12. Resolution 12 – Ratification of Issue of Sign-On Bonus Shares to Full or Part Time Employees

---

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company with or without modification:

“That in accordance with the provisions of Listing Rule 7.4 of the Official Listing Rules of the ASX Limited, and for all other purposes, the Shareholders ratify the previous issue of 2,085,000 fully paid ordinary shares in the Company (as a result of the issue of sign-on bonus shares on or about 26 April 2012) to full or part time employees of the Company (**Sign-On Recipients**).”



# Notice of General Meeting

## **Voting exclusion statement**

The Company will disregard any votes cast on this Resolution by:

- the Sign-On Recipients;
- any associate of the Sign-On Recipients.

However, the Company need not disregard a vote if:

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

## **General business**

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

## **By order of the board**



Vernon Wills  
Director  
10 May 2012

# Explanatory Memorandum

## 1. Introduction

---

This Explanatory Memorandum is provided to the Shareholders of Site Group International Limited ACN 003 201 910 (**Company**) to explain the Resolutions to be put to the Shareholders at the General Meeting to be held at the offices of the Company, Level 4, 96 Albert Street, Brisbane, Queensland on 15 June 2012 commencing at 11.30am (Brisbane time).

The Directors recommend the Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 12.

## 2. Resolutions 1 and 2 - Approval of issue of Shares to Cyba Recruitment Limited and The Rodgers Family Trust

---

### 2.1 Background

On 17 November 2011 the Company announced that it had entered into, by way of a term sheet and subject to formal legal documentation, an agreement with Cyba Recruitment Limited (**Cyba**), a Philippines based recruitment business operating since 2005, to acquire Cyba, which would include, as consideration in part, the issue of 2,500,000 Shares in the Company subject to shareholder approval. Since that time, negotiations with Cyba have resulted in the terms of the arrangement being amended as set out in the Company's announcement dated 17 April 2012. Under the new terms of the arrangement the Company has acquired the assets and employees of CFM Global Philippines Consulting Inc. from Cyba and Cyba has agreed to provide exclusive services to the Company under a multi-year agreement so that the Company can undertake its own operations in this area.

On 16 April 2012, Site WorkReady (Philippines) Pty Ltd entered a Services Contract with Cyba pursuant to which Cyba agreed to provide services to Site WorkReady (Philippines) Pty Ltd relating to support, recruitment and deployment of candidates via Clark Education City which is operated by the Company. The key consultants to be made available by Cyba to provide these services are Brett McPhee and John Rodgers (**Cyba Consultants**). In addition, at that time, Site WorkReady (Philippines) Pty Ltd and the Company entered into a Restraint Deed with Brett McPhee and John Rodgers pursuant to which, in consideration for Brett McPhee and John Rodgers agreeing to not undertake similar activities to Site WorkReady (Philippines) Pty Ltd, the Company would issue:

- (a) 3,000,000 Shares to Cyba (being the entity nominated by Brett McPhee); and
- (b) 3,000,000 Shares to The Rodgers Family Trust (being the entity nominated by John Rodgers).

The obligation of the Company to issue the 6,000,000 Shares is subject to and conditional upon the Company obtaining Shareholder approval for the issue.

Except for various dealings permitted under Voluntary Restriction Deeds entered into by the Cyba Recipients on or about the same date as the Restraint Deed, the Cyba Recipients will be restricted from disposing of the Shares as follows:

- 2,000,000 of the Shares will be restricted for 6 months from the date of issue; and
- a further 2,000,000 of the Shares will be restricted for 1 year from the date of issue; and

The balance of 2,000,000 Shares will be unrestricted from the date of issue.

Pursuant to Resolutions 1 and 2 the Company is seeking Shareholder approval for the issue of the 6,000,000 Shares to the Cyba Recipients.

# Explanatory Memorandum

## 2.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 prohibits a company, except in certain cases, from issuing or agreeing to issue new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Equity securities issued with shareholder approval under ASX Listing Rule 7.1 do not count towards the 15% limit.

Where a company has agreed to issue new equity securities that are equivalent in number to more than 15% of its capital in any 12 month period the agreement must be conditional upon obtaining shareholder approval and cannot issue the conditional equity securities without obtaining that approval.

The issue of the Cyba Shares is subject to Shareholder approval being obtained. For the purposes of ASX Listing Rule 7.3 the Company advises:

- the Company proposes to issue 6,000,000 fully paid ordinary shares in the Company;
- the Company proposes to issue the Cyba Shares as soon as possible after the Meeting and in any event no later than 3 months from the date of the Meeting;
- the Cyba Shares are to be issued in consideration for the Cyba Consultants agreeing to certain restraints during and after their period of service to the Site Group under the Services Contract;
- the Cyba Shares will be issued to the Cyba Recipients as follows:
  - Cyba Recruitment Limited, a company registered in Hong Kong is to receive 3,000,000 of the Cyba Shares; and
  - John Gilbert Rodgers and Linda Marija Rodgers as trustees for the J & L Rodgers Family Trust are to receive 3,000,000 of the Cyba Shares;
- the Cyba Shares issued will rank pari passu to all existing shares on issue;
- the Cyba Shares will be issued pursuant to section 708 of the Corporations Act; and
- the Cyba Shares will be issued as consideration for an exclusivity arrangement with Cyba and the Cyba Recipients, and accordingly, no funds will be raised by the issue of shares to Cyba.

By passing Resolutions 1 and 2, the issue of the 6,000,000 Shares to the Cyba Recipients will permit the Company to rely on Listing Rule 7.1 to raise further capital if required.

The Directors recommend that you vote in favour of this Ordinary Resolution.

## 3. Resolution 3 – Approval of Cyba Consultant Incentive Share Deed

---

### 3.1 Background

As outlined in Resolution 1 above, the Company entered into a Restraint Deed on 16 April 2012 with Brett McPhee and John Gilbert Rodgers, being key consultants of Cyba Recruitment Limited, and a Services Contract on or about the same date whereby Cyba agreed to provide certain recruitment and candidate deployment services exclusively to Site WorkReady (Philippines) Pty Ltd. The parties' relationship under the Services Contract is one of principal and independent contractor, not employer and employee, agency or partnership. Accordingly, the Cyba Consultants under the Services Contract are not eligible to participate in the Plan.

Pursuant to this Resolution 3 the Company is seeking Shareholder approval for the issue of a total of 1,500,000 Shares (**Cyba Incentive Shares**) under the Cyba Consultant Incentive Share Deed to:

- (a) Cyba Recruitment Limited, being the nominee of Brett McPhee (in respect of 750,000 Shares); and

# Explanatory Memorandum

- (b) The Rodgers Family Trust, being the nominee of John Gilbert Rodgers (in respect of 750,000 Shares),

(**Cyba Incentive Recipients**) on substantially the same terms as those Shares which have been issued to eligible employees of the Company under the Plan (see Resolution 4).

The issue of the Cyba Incentive Shares will be funded by way of loan from the Company on the same terms as the Employee Share Loan Scheme. The loan will be on the same terms as the loans provided by the Company under the Plan, save for in circumstances where a restriction condition in respect of the Shares is not met, the Company shall only be entitled to buy back and cancel the Shares. There is no right for the Company to sell the Cyba Incentive Shares on market. A summary of the balance of the terms of the loan is set out in section 4.2 of this Explanatory Memorandum.

## 3.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 prohibits a company, except in certain cases, from issuing or agreeing to issue new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Equity securities issued with shareholder approval under ASX Listing Rule 7.1 do not count towards the 15% limit.

Where a company has agreed to issue new equity securities that are equivalent in number to more than 15% of its capital in any 12 month period the agreement must be conditional upon obtaining shareholder approval and cannot issue the conditional equity securities without obtaining that approval.

The issue of Cyba Incentive Shares is subject to Shareholder approval being obtained. For the purposes of ASX Listing Rule 7.3 the Company advises:

- The Company proposes to issue the Cyba Incentive Shares, being 1,500,000 fully paid ordinary shares in the Company;
- The Company proposes to issue the Cyba Incentive Shares as soon as possible after the Meeting and in any event no later than 3 months from the date of the Meeting;
- The issue price for the Cyba Incentive Shares is \$0.20 per Share;
- The Cyba Incentive Shares will be issued to the nominees of Brett McPhee and John Gilbert Rodgers as follows:
  - Cyba Recruitment Limited, a company registered in Hong Kong is to receive 750,000 of the Cyba Incentive Shares; and
  - John Gilbert Rodgers and Linda Marija Rodgers as trustees for the J & L Rodgers Family Trust are to receive 750,000 of the Cyba Incentive Shares;
- The Cyba Incentive Shares issued will rank pari passu to all existing shares on issue;
- The Cyba Incentive Shares will be issued pursuant to section 708 of the Corporations Act;
- The issue of the Cyba Incentive Shares will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

By passing Resolution 3, the issue of the 1,500,000 Shares to the Cyba Incentive Recipients will see the Company maintain capacity to issue 15% of total ordinary securities under Listing Rule 7.1, if required.

The Directors recommend that you vote in favour of this Ordinary Resolution.

# Explanatory Memorandum

## 4. Resolution 4 – Approval of Amended Employee Share Plan

---

### 4.1 Background

Resolution 4 seeks re-approval by the Shareholders for the adoption of the Site Group International Limited Employee Share Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

On 19 December 2011, the Company in general meeting approved the issue of securities under the Plan. On 23 March 2012, prior to the issue of any Shares under the Plan, the Company by deed poll varied the terms of the Plan. One of the amendments to the Plan was in respect of the mechanism for pricing of offers under the Plan.

Resolution 4 seeks Shareholder approval for the adoption of the amended Plan in order for the Plan to be considered an exception to ASX Listing Rule 7.1.

### 4.2 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 4 is passed, the Company will be able to issue Shares under the Plan 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.

Shareholders should note that Resolution 5 sets out details of all of the Shares that have previously been issued under the Plan. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. It is intended the Plan will align the interests of employees with Shareholders thus allowing the employee to consider themselves an owner of the business and enhance his or her commitment to Shareholder return.

A material feature of the Plan is the issue of Shares pursuant to the Plan may be undertaken by way of provision of a limited recourse, interest free loan to be used for the purposes of subscribing for the Shares based on a price that will be determined by the Board in its absolute discretion provided that it shall not be less than 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 of making an offer for Plan Shares or the Company announcing an intention to make an offer to an eligible employee to participate in the Plan, whichever is the earlier.

Any future issues of Shares under the Plan 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.

A summary of the key terms and conditions of the Plan is set out in below. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (+61 2 9299 9690). Shareholders are invited to contact the Company if they have any queries or concerns.

### **Summary**

The key terms of the Site Group International Limited Employee Share Plan are as follows:

- (a) **Eligibility:** Participants in the scheme may be Executive Directors, full-time and part-time employees of the Company or any of its subsidiaries (**Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Participants will be offered Shares under the Plan.

# Explanatory Memorandum

- (c) **Offer:** The Board may issue an offer to a Participant to participate in the Plan. The offer:
- (1) will state the date of the offer;
  - (2) will invite application for the number of Shares specified in the offer;
  - (3) will specify the issue price for the Shares or the manner in which the issue price is to be calculated;
  - (4) 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;
  - (5) will specify any restriction conditions applying to the Shares;
  - (6) will specify an acceptance period; and
  - (7) specify any other terms and conditions attaching to the Shares.
- (d) **Issue price:** The issue price of the Plan Shares offered under an offer shall be determined by the Board in its absolute discretion provided that the issue price shall not be less than 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 of:
- (1) an offer for Shares under the Plan; or
  - (2) an announcement by the Company of an intention to make an offer to an eligible employee to participate in the Plan,
- whichever is the earlier.
- (e) **Restriction Conditions:** Shares may be subject to restriction conditions (such as a period of employment) which must be satisfied before the Shares can be sold, transferred, or encumbered. Shares cannot be sold, transferred or encumbered until any loan in relation to the Shares has been repaid or otherwise discharged under the Plan.
- (f) **Loan:** A Participant who is invited to subscribe for 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:
- (1) the Loan will be interest free;
  - (2) the Loan made available to a Participant shall be applied by the Company directly toward payment of the issue price of the Shares;
  - (3) the Loan repayment date and the manner for making such payments shall be determined by the Board and set out in the offer;
  - (4) a Participant must repay the Loan in full by the loan repayment date but may elect to repay the Loan amount in respect of any or all of the Shares at any time prior to the loan repayment date;
  - (5) the Company shall have a lien over the Shares in respect of which a Loan is outstanding and the Company shall be entitled to buy back and cancel or sell those Shares in accordance with the terms of the Plan;
  - (6) a Loan will be non-recourse except against the Shares held by the Participant to which the Loan relates;
  - (7) the Board may, in its absolute discretion, agree to forgive a Loan made to a Participant; and

# Explanatory Memorandum

- (8) The Board may, in its absolute discretion, extend the due date for repayment (including any extended date for repayment) of a Loan which has been granted to a Participant in accordance with the terms of the Plan.
- (g) **Unfulfilled Restriction Condition:** Where a restriction condition in relation to 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, either:
  - (1) buy back and cancel the relevant Shares within 12 months of the date the restriction condition was not satisfied (or became incapable of satisfaction) under Part 2J.1 of the Corporations Act at a price equal to the cash consideration paid by the Participant for the Shares (with any Loan not being treated as cash consideration but any Loan Amount repayments by the Participant being treated as cash consideration); or
  - (2) arrange to sell the Shares as soon as reasonably practicable either on the ASX or to an investor who falls within an exemption under section 708 of the Corporations Act provided that the sale must be at a price that is no less than 80% of the volume weighted average of the closing prices at which Shares were traded on the ASX during the 5 trading days prior to the sale date and apply the sale proceeds (**Sale Proceeds**) in the following priority:
    - (A) first, to pay the Company any outstanding Loan Amount (if any) in relation to the Shares and the Company's reasonable costs in selling the Shares;
    - (B) second, to the extent the Sale Proceeds are sufficient, to repay the Participant any cash consideration paid by the Participant or Loan Amount repayments (including any cash dividends applied to the Loan Amount) made by or on behalf of the Participant; and
    - (C) lastly, any remainder to the Company to cover its costs of managing the Plan.
- (h) **Sale of Shares to repay Loan:**
  - (1) A Loan shall become repayable in full where:
    - (A) the Participant (or, where the Participant is an associate of an eligible employee, the eligible employee) ceases to be an eligible employee for any reason (including death);
    - (B) the Participant suffers an event of insolvency;
    - (C) the Participant breaches any condition of the Loan or the Plan; or
    - (D) a restriction condition in relation to Shares subject to the Loan is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Board (and is not waived).
  - (2) Where a Loan becomes repayable and at that time a restriction condition in relation to Shares subject to the Loan is not satisfied, or is incapable of being satisfied in the opinion of the Board (and is not waived), the Shares must be bought back and cancelled by the Company or sold and the Sale Proceeds applied to repay the Loan in accordance with the Plan.
  - (3) Where a Loan in relation to Shares becomes repayable and at that time restriction conditions in relation to the Shares have either been satisfied or are waived, the Company must give the Participant a 30 day period to repay the Loan, failing which the Company must buy back and cancel or sell the Shares and apply the Sale Proceeds in accordance with the 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 Plan.

# Explanatory Memorandum

- (j) **Plan limit:** The Company must take reasonable steps to ensure that the number of Shares offered by the Company under the Plan when aggregated with:
  - (1) the number of Shares issued during the previous 5 years under the Plan (or any other employee share plan extended only to eligible employees); and
  - (2) 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) **Restriction on transfer:** Participants may not sell or otherwise deal with a Share until the Loan amount in respect of that Share has been repaid and any restriction conditions in relation to the Shares have been satisfied or waived. The Company is authorised to impose a holding lock on the Shares to implement this restriction.
- (l) **Quotation on ASX:** The Company will apply for each Share to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.
- (m) **Rights attaching to Shares:** Each 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 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.

## 5. Resolution 5 – Ratification of Issue of Shares to Full or Part Time Employees

---

### 5.1 Background

On or about 8 May 2012 the Company issued 7,030,000 Shares to various full or part time employees of the Company (**Employee Recipients**) at an issue price of \$0.20 per Share. The issue to the Employee Recipients was in accordance with ASX Listing Rule 7.1. None of the Employee Recipients are related parties of the Company.

Pursuant to this Resolution 5 the Company is seeking ratification of the issue of 7,030,000 Shares to the Employee Recipients.

### 5.2 ASX Listing Rule 7.4

ASX Listing Rule 7.1 prohibits a company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Securities issued with shareholder approval under ASX Listing Rule 7.1 do not count towards the 15% limit.

ASX Listing Rule 7.4 provides that an issue of securities made without prior approval under ASX Listing Rule 7.1 can be treated as having been made with that approval if shareholders subsequently approve it.

In accordance with ASX Listing Rule 7.4, Shareholder approval is sought to ratify the issue of the Shares in the Company to various full or part time employees, being issues of 7,030,000 Shares by the Company for which Shareholder approval has not already been obtained.

If this Resolution 5 is approved it will have the effect of refreshing the Company's ability to issue up to a further 15% of its capital during the next 12 months without the need to obtain further Shareholder approval.



# Explanatory Memorandum

## 5.3 Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the Company advises:

- The Company issued 7,030,000 Shares;
- The Shares were issued at \$0.20 per Share;
- The Shares issued will rank pari passu to all existing Shares on issue;
- The Shares were issued to the Employee Recipients; and
- The issue was funded by way of loan from the Company in accordance with the Plan and therefore no funds were raised by the issue.

By passing Resolution 5, the ratifying of the issue of the 7,030,000 Shares to the Employee Recipients will permit the Company to rely on Listing Rule 7.1 to raise further capital if required.

The Directors recommend that you vote in favour of this Ordinary Resolution.

## **6. Resolution 6 – Approval of the issue of Shares to Shaun Scott**

---

### 6.1 Background

The Company proposes to issue Shares to Shaun Scott on the same terms as under the Plan, in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules. The Shares will be issued on the same terms as those Shares which have been issued to eligible employees of the Company under the Plan (see Resolution 4).

The issue of the Shares will be funded by way of loan from the Company on the same terms of the Employee Share Loan Scheme, save for in circumstances where a restriction condition in respect of the Shares is not met, the Company shall only be entitled to buy back and cancel the Shares. A summary of the balance of the terms of the loan is set out in section 4.2 of this Explanatory Memorandum.

Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a director (or associate of a director) to acquire securities under an employee incentive scheme. Shaun Scott is a Non-Executive Director of the Company. Accordingly because the issue of Shares will result in a Non-Executive Director of the Company acquiring securities on the same terms as under the Plan, approval under Listing Rule 10.14 is required. If approval under Listing rule 10.14 is obtained, approval under Listing Rule 10.11 is not required (Exception 4, Listing Rule 10.12).

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition or the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company and entities controlled by them.

A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The Company seeks Shareholder approval in accordance with both sections 208(1) (Chapter 2E) and 260B(1) (Chapter 2J) of the Corporations Act as well as pursuant to Listing Rule 10.14 and for this reason, and for all other purposes, the following information is provided to Shareholders:

# Explanatory Memorandum

(a) **The related party to whom Resolution 6 would permit the financial benefit to be given**

The related party to whom Resolution 6 would permit the financial benefit to be given is Shaun Scott, a Non-Executive Director of the Company.

(b) **The nature of the financial benefit**

The proposed financial benefit to be given is 1,000,000 Shares to Shaun Scott at an issue price of \$0.20 per Share. In addition, the Company will provide a loan to Shaun Scott totalling \$200,000 for the payment of the issue price for the Shares. The loan is limited in recourse to the Shares and is interest free. A summary of the terms of the loan are as set out above and in section 4.2 of this Explanatory Memorandum.

(c) **Director's Recommendation**

The Directors (other than Shaun Scott) recommend that you vote in favour of this Resolution 6. This recommendation is made on the basis that Mr Scott will participate on the same terms as Shares issued under the Plan to eligible employees. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. The Board considers that this should apply equally to Directors and employees.

(d) **Directors' interest and other remuneration**

Shaun Scott has a material personal interest in the outcome of Resolution 6.

Other than the Shares proposed to be issued to Shaun Scott under Resolution 6, Shaun Scott has an interest in 1,250,000 Shares in the Company.

Other than the Shares to be issued to Shaun Scott pursuant to Resolution 6, Shaun Scott shall receive director's remuneration of \$60,000 (exclusive of superannuation and other benefits) per annum from the Company for his services as a Non-Executive Director. In addition to superannuation, the Company maintains a Directors and officers insurance policy for Mr Scott.

If the Shares, the subject of Resolution 6 are issued to Shaun Scott, the effect on his holding in the Company is set out in Annexure A to this Explanatory Memorandum.

(e) **Valuation**

The Shares to be issued to Shaun Scott pursuant to Resolution 6 will be in the same class and on the same terms as the securities in the Company which are quoted on ASX.

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event	Date	Share Price
High	15 February 2012	\$0.20
Low	11 January 2012	\$0.10
Last	9 May 2012	\$0.16

(f) **Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors**

**Issue Price**

For the offer of Shares on the same terms as under the Plan the issue price shall be determined by the Board in its absolute discretion calculated at not less than the volume

# Explanatory Memorandum

weighted average price at which Shares were traded on the ASX over the 5 trading days up to and including the actual date of making the offer or the Company announcing its intention to make the offer whichever is the earlier.

For this offer of Shares on the same terms as under the Plan to Mr Scott, the issue price has been set at \$0.20 per Share. The Company acknowledges that the market price for Shares in the Company may be subject to movement between the date that the issue price is determined and the date this Meeting is held.

## **Opportunity Costs**

The opportunity cost to the Company in issuing the Shares to Shaun Scott is a reduction in the total issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, the Board (excluding Mr Scott) considers that this is more than offset by the advantages to the Company of issuing Shares on the same terms as under the Plan.

## **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the grant of the Shares (or if it is then it will be recoverable as an input credit).

## **Dilutionary Effect**

There are currently 222,313,482 Shares on issue. Set out in Annexure A is the dilutionary impact of the issue of the Shares to Shaun Scott (as well as other related parties of the Company).

### 6.2 Listing Rule 10.14

As noted above, Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a Director to acquire securities under an employee incentive scheme. Accordingly the issue of Shares (on the same terms as under the Plan) by the Company to Shaun Scott will require approval under Listing Rule 10.14.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- 1,000,000 Shares will be issued Shaun Scott, a Non-Executive Director of the Company.
- The Shares will be issued pursuant to section 708 of the Corporations Act.
- The Shares to be issued are intended to be issued as soon as possible after the Meeting and in any event, no later than one month from the date of the Meeting. The Shares are to be issued at \$0.20 per Share.
- The Shares to be granted will rank pari passu to all existing Shares on issue.
- As at the date of this Explanatory Memorandum, no Shares have been issued to Directors or associates of Directors under the Plan.
- All Executive Directors and eligible employees are entitled to participate in the Plan. As at the date of this Explanatory Memorandum, the Executive Directors of the Company, their associates and other related parties include:
  - Vernon Wills;
  - Blake Wills; and
  - Jamie Wills.

# Explanatory Memorandum

- The issue of the Shares to Executive Directors under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.
- The Non-Executive Directors may participate in an incentive scheme on the same terms as the Plan. As at the date of this Explanatory Memorandum, the Non-Executive Directors of the Company, their associates and other related parties include:
  - Shaun Scott;
  - Darryl Somerville; and
  - Nicasio Alcantara.
- The issue of the Shares to Non-Executive Directors on the same terms as under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

## **7. Resolution 7 – Approval of the issues of Shares to Darryl Somerville**

---

### **7.1 Background**

The Company proposes to issue Shares to Darryl Somerville on the same terms as under the Plan, in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules. The Shares will be issued on the same terms as those Shares which have been issued to eligible employees of the Company under the Plan (see Resolution 4).

The issue of the Shares will be funded by way of loan from the Company on the same terms of the Employee Share Loan Scheme, save for in circumstances where a restriction condition in respect of the Shares is not met, the Company shall only be entitled to buy back and cancel the Shares. A summary of the balance of the terms of the loan is set out in section 4.2 of this Explanatory Memorandum.

Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a director (or associate of a director) to acquire securities under an employee incentive scheme. Darryl Somerville is a Non-Executive Director of the Company. Accordingly because the issue of Shares will result in a Director of the Company acquiring securities on the same terms as under the Plan, approval under Listing Rule 10.14 is required. If approval under Listing rule 10.14 is obtained, approval under Listing Rule 10.11 is not required (Exception 4, Listing Rule 10.12).

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition or the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company and entities controlled by them.

A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The Company seeks Shareholder approval in accordance with both sections 208(1) (Chapter 2E) and 260B(1) (Chapter 2J) of the Corporations Act as well as pursuant to Listing Rule 10.14 and for this reason, and for all other purposes, the following information is provided to Shareholders:

# Explanatory Memorandum

(a) **The related party to whom Resolution 7 would permit the financial benefit to be given**

The related party to whom Resolution 7 would permit the financial benefit to be given is Darryl Somerville, a Non-Executive Director of the Company.

(b) **The nature of the financial benefit**

The proposed financial benefit to be given is 1,000,000 Shares to Darryl Somerville at an issue price of \$0.20 per Share. In addition, the Company will provide a loan to Darryl Somerville totalling \$200,000 for the payment of the issue price for the Shares. The loan is limited in recourse to the Shares and is interest free. A summary of the terms of the loan are as set out above and in section 4.2 of this Explanatory Memorandum.

(c) **Director's Recommendation**

The Directors (other than Darryl Somerville) recommend that you vote in favour of this Resolution 7. This recommendation is made on the basis that Mr Somerville will participate on the same terms as under the Plan as the eligible employees. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. The Board considers that this should apply equally to Directors and employees.

(d) **Directors' interest and other remuneration**

Darryl Somerville has a material personal interest in the outcome of Resolution 7.

Other than the Shares proposed to be issued to Darryl Somerville under Resolution 7, Darryl Somerville has an interest in 2,754,671 Shares in the Company.

Other than the Shares to be issued to Darryl Somerville pursuant to Resolution 7, Darryl Somerville shall receive director's remuneration of \$60,000 (exclusive of superannuation and other benefits) per annum from the Company for his services as a Non-Executive Director. In addition to superannuation, the Company maintains a Directors and officers insurance policy for the benefit of Mr Somerville.

If the Shares, the subject of Resolution 7 are issued to Darryl Somerville, the effect on his holding in the Company is set out in Annexure A to this Explanatory Memorandum.

(e) **Valuation**

The Shares to be issued to Darryl Somerville pursuant to Resolution 7 will be in the same class and on the same terms as the securities in the Company which are quoted on ASX.

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event	Date	Share Price
High	15 February 2012	\$0.20
Low	11 January 2012	\$0.10
Last	9 May 2012	\$0.16

(f) **Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors**

**Issue Price**

For the offer of Shares on the same terms as under the Plan, the issue price shall be determined by the Board in its absolute discretion calculated at not less than the volume

# Explanatory Memorandum

weighted average price at which Shares were traded on the ASX over the 5 trading days up to and including the actual date of making the offer or the Company announcing its intention to make the offer whichever is the earlier.

For this offer of Shares on the same terms as under the Plan to Darryl Somerville, the issue price has been set at \$0.20 per Share. The Company acknowledges that the market price for Shares in the Company may be subject to movement between the date that the issue price is determined and the date this Meeting is held.

## **Opportunity Costs**

The opportunity cost to the Company in issuing the Shares to Darryl Somerville is a reduction in the total issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, the Board (excluding Mr Somerville) considers that this is more than offset by the advantages to the Company of issuing Shares on the same terms as under the Plan.

## **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the grant of the Shares (or if it is then it will be recoverable as an input credit).

## **Dilutionary Effect**

There are currently 222,313,482 Shares on issue. Set out in Annexure A is the dilutionary impact of the issue of the Shares to Darryl Somerville (as well as other related parties of the Company).

### 7.2 Listing Rule 10.14

As noted above, Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a Director to acquire securities under an employee incentive scheme. Accordingly the issue of Shares (on the same terms as under the Plan) by the Company to Darryl Somerville will require approval under Listing Rule 10.14.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- 1,000,000 Shares will be issued to Darryl Somerville, a Non-Executive Director of the Company.
- The Shares will be issued pursuant to section 708 of the Corporations Act.
- The Shares to be issued are intended to be issued as soon as possible after the Meeting and in any event, no later than one month from the date of the Meeting.
- The Shares are to be issued at \$0.20 per Share.
- The Shares to be granted will rank pari passu to all existing Shares on issue.
- As at the date of this Explanatory Memorandum, no Shares have been issued to Directors or associates of Directors under the Plan.
- All Executive Directors and eligible employees are entitled to participate in the Plan. As at the date of this Explanatory Memorandum, the Executive Directors of the Company, their associates and other related parties include:
  - Vernon Wills;
  - Blake Wills; and
  - Jamie Wills.

# Explanatory Memorandum

- The issue of the Shares to Executive Directors under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.
- The Non-Executive Directors may participate in an incentive scheme on the same terms as the Plan. As at the date of this Explanatory Memorandum, the Non-Executive Directors of the Company, their associates and other related parties include:
  - Shaun Scott;
  - Darryl Somerville; and
  - Nicasio Alcantara.
- The issue of the Shares to Non-Executive Directors on the same terms as under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

## **8. Resolution 8 – Approval of the issue of Shares to Nicasio Alcantara**

---

### **8.1 Background**

The Company proposes to issue Shares to Nicasio Alcantara on the same terms as under the Plan, in accordance with sections 208(1) and 260B(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules. The Shares will be issued on the same terms as those Shares which have been issued to eligible employees of the Company under the Plan (see Resolution 4).

The issue of the Shares will be funded by way of loan from the Company on the same terms of the Employee Share Loan Scheme, save for in circumstances where a restriction condition in respect of the Shares is not met, the Company shall only be entitled to buy back and cancel the Shares. A summary of the balance of the terms of the loan is set out in section 4.2 of this Explanatory Memorandum.

Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a director (or associate of a director) to acquire securities under an employee incentive scheme. Nicasio Alcantara is a Non-Executive Director of the Company. Accordingly because the issue of Shares will result in a Director of the Company acquiring securities on the same terms as under the Plan, approval under Listing Rule 10.14 is required. If approval under Listing rule 10.14 is obtained, approval under Listing Rule 10.11 is not required (Exception 4, Listing Rule 10.12).

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition or the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company and entities controlled by them.

A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The Company seeks Shareholder approval in accordance with both sections 208(1) (Chapter 2E) and 260B(1) (Chapter 2J) of the Corporations Act as well as pursuant to Listing Rule 10.14 and for this reason, and for all other purposes, the following information is provided to Shareholders:

# Explanatory Memorandum

(a) **The related party to whom Resolution 8 would permit the financial benefit to be given**

The related party to whom Resolution 8 would permit the financial benefit to be given is Nicasio Alcantara, a Non-Executive Director of the Company.

(b) **The nature of the financial benefit**

The proposed financial benefit to be given is 1,000,000 Shares to Nicasio Alcantara at an issue price of \$0.20 per Share. In addition, the Company will provide a loan to Nicasio Alcantara totalling \$200,000 for the payment of the issue price for the Shares. The loan is limited in recourse to the Shares and is interest free. A summary of the terms of the loan are as set out above and in section 4.2 of this Explanatory Memorandum.

(c) **Director's Recommendation**

The Directors (other than Nicasio Alcantara) recommend that you vote in favour of this Resolution 8. This recommendation is made on the basis that Mr Alcantara will participate on the same terms as under the Plan as the eligible employees. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. The Board considers that this should apply equally to Directors and employees.

(d) **Directors' interest and other remuneration**

Nicasio Alcantara has a material personal interest in the outcome of Resolution 8.

Other than the Shares proposed to be issued to Nicasio Alcantara under Resolution 8, Nicasio Alcantara does not hold any Shares in the Company.

Other than the Shares to be issued to Nicasio Alcantara pursuant to Resolution 8, Nicasio Alcantara shall receive director's remuneration of \$60,000 (exclusive of superannuation and other benefits) per annum from the Company for his services as a Non-Executive Director. In addition to superannuation the Company maintains a Directors and officers insurance policy for the benefit of Mr Alcantara.

If the Shares, the subject of Resolution 8 are issued to Nicasio Alcantara, the effect on his holding in the Company is set out in Annexure A to this Explanatory Memorandum.

(e) **Valuation**

The Shares to be issued to Nicasio Alcantara pursuant to Resolution 8 will be in the same class and on the same terms as the securities in the Company which are quoted on ASX.

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event	Date	Share Price
High	15 February 2012	\$0.20
Low	11 January 2012	\$0.10
Last	9 May 2012	\$0.16

(f) **Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors**

**Issue Price**

For the offer of Shares on the same terms as under the Plan to the issue price shall be determined by the Board in its absolute discretion calculated at not less than the volume



# Explanatory Memorandum

weighted average price at which Shares were traded on the ASX over the 5 trading days up to and including the actual date of making the offer or the Company announcing its intention to make the offer whichever is the earlier.

For this offer of Shares on the same terms as under the Plan to Mr Alcantara, the issue price has been set at \$0.20 per Share. The Company acknowledges that the market price for Shares in the Company may be subject to movement between the date that the issue price is determined and the date this Meeting is held.

## **Opportunity Costs**

The opportunity cost to the Company in issuing the Shares to Nicasio Alcantara is a reduction in the total issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, the Board (excluding Mr Alcantara) considers that this is more than offset by the advantages to the Company of issuing Shares on the same terms as under the Plan.

## **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the grant of the Shares (or if it is then it will be recoverable as an input credit).

## **Dilutionary Effect**

There are currently 222,313,482 Shares on issue. Set out in Annexure A is the dilutionary impact of the issue of the Shares to Nicasio Alcantara (as well as other related parties of the Company).

### 8.2 Listing Rule 10.14

As noted above, Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a Director to acquire securities under an employee incentive scheme. Accordingly the issue of Shares (on the same terms as under the Plan) by the Company to Nicasio Alcantara will require approval under Listing Rule 10.14.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- 1,000,000 Shares will be issued to Nicasio Alcantara, a Non-Executive Director of the Company.
- The Shares will be issued pursuant to section 708 of the Corporations Act.
- The Shares to be issued are intended to be issued as soon as possible after the Meeting and in any event, no later than one month from the date of the Meeting. The Shares are to be issued at \$0.20 per Share.
- The Shares to be granted will rank *pari passu* to all existing Shares on issue.
- As at the date of this Explanatory Memorandum, no Shares have been issued to Directors or associates of Directors under the Plan.
- All Executive Directors and eligible employees are entitled to participate in the Plan. As at the date of this Explanatory Memorandum, the Executive Directors of the Company, their associates and other related parties include:
  - Vernon Wills;
  - Blake Wills; and
  - Jamie Wills.

# Explanatory Memorandum

- The issue of the Shares to Executive Directors under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.
- The Non-Executive Directors may participate in an incentive scheme on the same terms as the Plan. As at the date of this Explanatory Memorandum, the Non-Executive Directors of the Company, their associates and other related parties include:
  - Shaun Scott;
  - Darryl Somerville; and
  - Nicasio Alcantara.
- The issue of the Shares to Non-Executive Directors on the same terms as under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

## 9. Resolution 9 – Approval of the issue of Shares to Vernon Wills

---

### 9.1 Background

The Company proposes to issue Shares under the Plan to Vernon Wills, in accordance with section 208(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules. As the Shares will be issued under the Plan, the Company intends to fund the issue of the Shares through a loan under the Plan which will be limited in recourse to the Shares themselves.

Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a director (or associate of a director) to acquire securities under an employee incentive scheme. Vernon Wills is an Executive Director of the Company. Accordingly because the issue of Shares will result in a Director of the Company acquiring securities under the Plan, approval under Listing Rule 10.14 is required. If approval under Listing rule 10.14 is obtained, approval under Listing Rule 10.11 is not required (Exception 4, Listing Rule 10.12).

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition or the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company and entities controlled by them.

A “financial benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The Company seeks Shareholder approval in accordance with section 208(1) (Chapter 2E) of the Corporations Act as well as pursuant to Listing Rule 10.14 and for this reason, and for all other purposes, the following information is provided to Shareholders:

#### (a) **The related party to whom Resolution 9 would permit the financial benefit to be given**

The related party to whom Resolution 9 would permit the financial benefit to be given is Vernon Wills, an Executive Director of the Company.

# Explanatory Memorandum

## (b) The nature of the financial benefit

The proposed financial benefit to be given is 2,000,000 Shares to Vernon Wills at an issue price of \$0.20 per Share. In addition, the Company will provide a loan to Vernon Wills totalling \$400,000 for the payment of the issue price for the Shares. The loan is limited in recourse to the Shares and is interest free. A summary of the terms of the loan is set out in section 4.2 of this Explanatory Memorandum.

## (c) Director's Recommendation

The Directors (other than Vernon Wills) recommend that you vote in favour of this Resolution 9. This recommendation is made on the basis that Mr Wills will participate in the Plan on the same terms as the eligible employees. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. The Board considers that this should apply equally to Directors and employees.

## (d) Directors' interest and other remuneration

Vernon Wills has a material personal interest in the outcome of Resolution 9.

Other than the Shares proposed to be issued to Vernon Wills under Resolution 9, Vernon Wills has an interest in 71,176,732 Shares and 500,000 options in the Company.

Other than the Shares to be issued to Vernon Wills pursuant to Resolution 9, Vernon Wills through a related entity shall receive director's remuneration of \$300,000 (exclusive of superannuation and other benefits) per annum from the Company for his services as an Executive Director. In addition to superannuation, the Company maintains a Directors and officers insurance policy for the benefit of Mr Wills.

If the Shares, the subject of Resolution 9 are issued to Vernon Wills, the effect on his holding in the Company is set out in Annexure A to this Explanatory Memorandum.

If as a result of the issue of the Shares the subject of Resolution 9, Vernon Wills' voting power in the Company would increase, the Shares the subject of Resolution 9 will only be issued to Vernon Wills in accordance with the provisions of Part 6.1 of the Corporations Act.

## (e) Valuation

The Shares to be issued to Vernon Wills pursuant to Resolution 9 will be in the same class and on the same terms as the securities in the Company which are quoted on ASX.

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

Event	Date	Share Price
High	15 February 2012	\$0.20
Low	11 January 2012	\$0.10
Last	9 May 2012	\$0.16

## (f) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

### Issue Price

For the offer of Shares under the Plan, the issue price shall be determined by the Board in its absolute discretion calculated at not less than 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 of

# Explanatory Memorandum

making the offer or the Company announcing its intention to make the offer whichever is the earlier.

For this offer of Shares under the plan to Vernon Wills, the issue price has been set at \$0.20 per Share. The Company acknowledges that the market price for Shares in the Company may be subject to movement between the date that the issue price is determined and the date this Meeting is held.

## **Opportunity Costs**

The opportunity cost to the Company in issuing the Shares to Vernon Wills is a reduction in the total issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, the Board (excluding Mr Wills) considers that this is more than offset by the advantages to the Company of issuing Shares pursuant to the Plan.

## **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the grant of the Shares (or if it is then it will be recoverable as an input credit).

## **Dilutionary Effect**

There are currently 222,313,482 Shares on issue. Set out in Annexure A is the dilutionary impact of the issue of the Shares to Vernon Wills (as well as other related parties of the Company).

### 9.2 Listing Rule 10.14

As noted above, Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a Director to acquire securities under an employee incentive scheme. Accordingly the issue of Shares (under the Plan) by the Company to Vernon Wills will require approval under Listing Rule 10.14.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- 2,000,000 Shares will be issued to Vernon Wills, an Executive Director of the Company.
- The Shares to be issued are intended to be issued as soon as possible after the Meeting and in any event, no later than one month from the date of the Meeting.
- The Shares are to be issued at \$0.20 per Share.
- The Shares to be granted will rank *pari passu* to all existing Shares on issue.
- As at the date of this Explanatory Memorandum, no Shares have been issued to Directors or associates of Directors under the Plan.
- All Executive Directors and eligible employees are entitled to participate in the Plan. As at the date of this Explanatory Memorandum, the Executive Directors of the Company, their associates and other related parties include:
  - Vernon Wills;
  - Blake Wills; and
  - Jamie Wills.
- The issue of the Shares to Executive Directors under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

# Explanatory Memorandum

- The Non-Executive Directors may participate in an incentive scheme on the same terms as the Plan. As at the date of this Explanatory Memorandum, the Non-Executive Directors of the Company, their associates and other related parties include:
  - Shaun Scott;
  - Darryl Somerville; and
  - Nicasio Alcantara.
- The issue of the Shares to Non-Executive Directors on the same terms as under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

## 10. Resolutions 10 and 11 – Approval of the issue of Shares to Blake Wills and Jamie Wills

---

### 10.1 Background

The Company proposes to issue Shares under the Plan to Blake Wills and Jamie Wills, in accordance with section 208(1) of the Corporations Act and the provisions of Listing Rule 10.14 of the Official Listing Rules. As the Shares will be issued under the Plan, the Company intends to fund the issue of the Shares through a loan under the Plan which will be limited in recourse to the Shares themselves.

Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a director (or associate of a director) to acquire securities under an employee incentive scheme. Each of Blake and Jamie Wills are children of Vernon Wills, who is a Director of the Company and therefore each of Blake and Jamie Wills are themselves related parties of the Company and ASX's opinion for a person allows approval under Listing Rule 10.14 should be obtained. Accordingly because the issue of Shares will result in a related party of the Company acquiring securities under the Plan, approval under Listing Rule 10.14 is required. If approval under Listing rule 10.14 is obtained, approval under Listing Rule 10.11 is not required (Exception 4, Listing Rule 10.12).

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition or the company first obtains the approval of its shareholders in general meeting in circumstances where the requirements of Chapter 2E in relation to the convening of that meeting have been met.

A "related party" for the purposes of the Corporations Act is defined widely and includes a director of a public company and entities controlled by them as well as children of a director of the Company.

A "financial benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the related party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

The Company seeks Shareholder approval in accordance with section 208(1) (Chapter 2E) of the Corporations Act as well as pursuant to Listing Rule 10.14 and for this reason, and for all other purposes, the following information is provided to Shareholders:

(a) **The related party to whom Resolutions 10 and 11 would permit the financial benefit to be given**

The related party to whom Resolutions 10 and 11 would permit the financial benefit to be given are:

# Explanatory Memorandum

(1) Blake Wills; and

(2) Jamie Wills.

(b) **The nature of the financial benefit**

The proposed financial benefit to be given is:

(1) 250,000 Shares to Blake Wills at an issue price of \$0.20 per Share; and

(2) 250,000 Shares to Jamie Wills at an issue price of \$0.20 per Share.

In addition, the Company will provide a loan to each of Blake Wills totalling \$50,000 and Jamie Wills totalling \$50,000 for the payment of the issue price for the Shares. The loans are limited in recourse to the Shares and are interest free. A summary of the terms of the loans is set out in section 4.2 of this Explanatory Memorandum.

(c) **Director's Recommendation**

The Directors (other than Vernon Wills) recommend that you vote in favour of these Resolutions 10 and 11. This recommendation is made on the basis that each of Blake and Jamie will participate in the Plan on the same terms as the eligible employees. The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

(d) **Directors' interest and other remuneration**

None of the Directors have an interest in the outcome of Resolutions 10 and 11.

Other than the Shares proposed to be issued to Blake Wills under Resolution 10, Blake has an interest in 357,727 Shares in the Company.

Other than the Shares to be issued to Blake Wills pursuant to Resolution 10, Blake shall receive remuneration of \$66,000 (inclusive of superannuation) per annum from the Company for his services as Corporate Affairs Manager.

Other than the Shares proposed to be issued to Jamie Wills under Resolution 11, Jamie has an interest in 357,727 Shares in the Company.

Other than the Shares to be issued to Jamie Wills pursuant to Resolution 11, Jamie shall receive remuneration of \$66,000 (inclusive of superannuation) per annum from the Company for his services as Brand and Marketing Manager.

If the Shares, the subject of Resolution 10 and 11 are issued to Blake Wills and Jamie Wills, the effect on their holdings in the Company is set out in Annexure A to this Explanatory Memorandum.

(e) **Valuation**

The Shares to be issued to Blake Wills and Jamie Wills pursuant to Resolutions 10 and 11 will be in the same class and on the same terms as the securities in the Company which are quoted on ASX.

The following is a summary of the Company's Share price over the three (3) month period immediately prior to the date of this Notice:

# Explanatory Memorandum

Event	Date	Share Price
High	15 February 2012	\$0.20
Low	11 January 2012	\$0.10
Last	9 May 2012	\$0.16

- (f) **Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors**

## **Issue Price**

For the offer of Shares under the Plan, the issue price shall be determined by the Board in its absolute discretion calculated at not less than 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 of making the offer or the Company announcing its intention to make the offer whichever is the earlier.

For this offer of Shares under the plan to Blake Wills and Jamie Wills, the issue price has been set at \$0.20 per Share. The Company acknowledges that the market price for Shares in the Company may be subject to movement between the date that the issue price is determined and the date this Meeting is held.

## **Opportunity Costs**

The opportunity cost to the Company in issuing the Shares to Blake Wills and Jamie Wills is a reduction in the total issued Share capital of the Company. To the extent that the dilutionary impact caused by the issue of the Shares may be detrimental to the Company, if at all, the Board (excluding Vern Wills) considers that this is more than offset by the advantages to the Company of issuing Shares pursuant to the Plan.

## **Taxation Consequences**

No stamp duty will be payable in respect of the grant of the Shares. No GST will be payable by the Company in respect of the grant of the Shares (or if it is then it will be recoverable as an input credit).

## **Dilutionary Effect**

There are currently 222,313,482 Shares on issue. Set out in Annexure A is the dilutionary impact of the issue of the Shares to Blake Wills and Jamie Wills (as well as other related parties of the Company).

## 10.2 Listing Rule 10.14

As noted above, Listing Rule 10.14 requires an entity to obtain the approval of shareholders for a Director or associate of a Director to acquire securities under an employee incentive scheme. Accordingly the issue of Shares (under the Plan) by the Company to Blake Wills and Jamie Wills will require approval under Listing Rule 10.14.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- 250,000 Shares will be issued to Blake Wills.
- 250,000 Shares will be issued to Jamie Wills.
- The Shares to be issued are intended to be issued as soon as possible after the Meeting and in any event, no later than one month from the date of the Meeting.
- The Shares are to be issued at \$0.20 per Share.

# Explanatory Memorandum

- The Shares to be granted will rank pari passu to all existing Shares on issue.
- As at the date of this Explanatory Memorandum, no Shares have been issued to Directors or associates of Directors under the Plan.
- All Executive Directors and eligible employees are entitled to participate in the Plan. As at the date of this Explanatory Memorandum, the Executive Directors of the Company, their associates and other related parties include:
  - Vernon Wills;
  - Blake Wills; and
  - Jamie Wills.
- The issue of the Shares to Executive Directors under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.
- The Non-Executive Directors may participate in an incentive scheme on the same terms as the Plan. As at the date of this Explanatory Memorandum, the Non-Executive Directors of the Company, their associates and other related parties include:
  - Shaun Scott;
  - Darryl Somerville; and
  - Nicasio Alcantara.
- The issue of the Shares to Non-Executive Directors on the same terms as under the Plan will be funded by way of loan from the Company as set out above and therefore no funds will be raised by the issue.

## 11. Resolution 12 – Ratification of Issue of Sign-On Bonus Shares to Full or Part Time Employees

### 11.1 Background

On or about 26 April 2012 the Company issued 2,085,000 Shares as a sign-on bonus to the following employees of the Company (**Sign-On Recipients**):

Employee	No. of Shares	Voluntary Restriction Terms
Graham Yerbury	1,000,000	<ul style="list-style-type: none"> <li>• 500,000 Shares restricted until 9 January 2013;</li> <li>• 500,000 Shares restricted until 9 January 2014.</li> </ul>
Paul Scaysbrook	1,000,000	<ul style="list-style-type: none"> <li>• 5,000,00 Shares restricted until 1 April 2014;</li> <li>• 500,000 Shares restricted until 1 April 2015.</li> </ul>
Katie Hurse	50,000	<ul style="list-style-type: none"> <li>• 25,000 Shares restricted until 1 October 2012;</li> <li>• 25,000 Shares restricted until 1 April 2013.</li> </ul>



# Explanatory Memorandum

Employee	No. of Shares	Voluntary Restriction Terms
Tom Molloy	25,000	<ul style="list-style-type: none"><li>Restricted until 1 October 2012.</li></ul>
Ismail Tahir	10,000	<ul style="list-style-type: none"><li>Restricted until 1 October 2012.</li></ul>

Pursuant to this Resolution 12 the Company is seeking ratification of the issue of 2,085,000 Shares to the Sign-On Recipients.

## 11.2 ASX Listing Rule 7.4

ASX Listing Rule 7.1 prohibits a company, except in certain cases, from issuing new equity securities equivalent in number to more than 15% of its capital in any 12 month period without the prior approval of its shareholders. Securities issued with shareholder approval under ASX Listing Rule 7.1 do not count towards the 15% limit.

ASX Listing Rule 7.4 provides that an issue of securities made without prior approval under ASX Listing Rule 7.1 can be treated as having been made with that approval if shareholders subsequently approve it.

In accordance with ASX Listing Rule 7.4, Shareholder approval is sought to ratify the issue of the Shares in the Company to full or part time employees, being issues of 2,085,000 Shares by the Company for which Shareholder approval has not already been obtained.

If this Resolution 12 is approved it will have the effect of refreshing the Company's ability to issue up to a further 15% of its capital during the next 12 months without the need to obtain further Shareholder approval.

## 11.3 Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the Company advises:

- The Company issued 2,085,000 Shares;
- The Shares issued will rank pari passu to all existing Shares on issue;
- The Shares were issued to the Sign-On Recipients;
- The Shares were issued in consideration for each of the Sign-On Recipients agreeing to employment terms with the Company and accordingly no funds were raised by the issue; and
- The Shares were issued pursuant to section 708 of the Corporations Act.

By passing Resolution 12, the ratifying of the issue of the 2,085,000 Shares to the Sign-On Recipients will permit the Company to rely on Listing Rule 7.1 to raise further capital if required.

The Directors recommend that you vote in favour of this Ordinary Resolution.

## 12. Interpretation

---

**ASIC** means the Australian Securities and Investments Commission;

**ASX** means the ASX Limited ABN 98 008 624 691;

**Board** means the board of directors of the Company;

**Company** means Site Group International Limited ACN 003 201 910;

# Explanatory Memorandum

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended from time to time;

**Cyba** means Cyba Recruitment Limited, a company registered in Hong Kong;

**Cyba Consultants** means Brett McPhee and John Rodgers;

**Cyba Consultant Incentive Share Deed** means the incentive share deed proposed to be entered into between the Company and the Cyba Incentive Recipients for the issue of the Cyba Incentive Shares;

**Cyba Incentive Recipients** means:

- (a) Cyba in respect of 750,000 Cyba Incentive Shares; and
- (b) The Rodgers Family Trust in respect of 750,000 Cyba Incentive Shares;

**Cyba Incentive Shares** means 1,500,000 Shares to be issued to the Cyba Incentive Recipients pursuant to Resolution 3;

**Cyba Recipients** means:

- (c) Cyba in respect of 3,000,000 Shares; and
- (d) The Rodgers Family Trust in respect of 3,000,000 Shares;

**Cyba Shares** means 6,000,000 Shares to be issued to the Cyba Recipients pursuant to Resolutions 1 and 2;

**Directors** mean directors of the Company;

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting;

**Meeting** or **General Meeting** means the General Meeting of Shareholders to be held at the Company's offices, Level 4, 96 Eagle Street, Brisbane on 15 June 2012 at 11.30am (Brisbane time);

**Notice of Meeting** means the notice of meeting convening the Meeting and the Explanatory Memorandum;

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders;

**Plan** means the Site Group International Limited Employee Share Plan as amended from time to time;

**Resolution** means a resolution to be proposed at the Meeting;

**Rodgers Family Trust** means John Gilbert Rodgers and Linda Marija Rodgers as trustees for The J & L Rodgers Family Trust;

**Services Contract** means the contract between Cyba and Site WorkReady (Philippines) Pty Ltd dated 16 April 2012;

**Shares** means fully paid ordinary shares in the Company;

**Shareholder** means a holder of Shares in the Company;

**Site Group** means the Company and its wholly owned subsidiaries;

**Sign-On Recipients** means each of Graham Yerbury, Paul Scaysbrook, Katie Hurse, Tom Molloy and Ismail Tahir; and

# Explanatory Memorandum

**Special Resolution** means a resolution passed if 75% or more of votes cast by shareholders entitled to vote are cast in favour of the resolution.

---

## Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm 13 June 2012. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Andrew Bursill (Company Secretary):

Suite 4, Level 9, 341 George Street, Sydney NSW 2000

+61 2 9299 9690

# Explanatory Memorandum

## Annexure A

Interests of Related Parties (see Resolutions 6, 7, 8, 9, 10 and 11)

Director	Current Share Holding	% of Total Share Capital	Share Capital Upon issue of Shares	% of Total Share Capital *
Shaun Scott	1,250,000	0.56%	2,250,000	0.96%
Darryl Somerville	2,754,671	1.24%	3,754,671	1.60%
Nicasio Alcantara	-	-	1,000,000	0.42%
Vernon Wills	71,176,732	32.02%	73,176,732	31.10%
Blake Wills	357,727	0.16%	607,727	0.26%
Jamie Wills	357,727	0.16%	607,727	0.26%

Notes:

\* Assumes:

- (a) all Resolutions set out in this Notice of Meeting are passed and all Shares proposed to be issued under such Resolutions are issued;
- (b) no other Shares are issued by the Company;
- (c) no existing options to subscribe for the Company's Shares are exercised;
- (d) a total issued share capital of 235,313,482.

# SITEGROUP International

ABN 73 003 201 910



000001 000 SIT  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your proxy:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**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](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 552 270  
(outside Australia) +61 3 9415 4000

## Proxy Form



Vote online 24 hours a day, 7 days a week:

**[www.investorvote.com.au](http://www.investorvote.com.au)**



**Cast your proxy vote**



**Review and update your securityholding**

**Your secure access information is:**

**Control Number: 999999**

**SRN/HIN: 1999999999**



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

**For your vote to be effective it must be received by 11.30am (Brisbane time) Wednesday 13th June 2012**

### 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 as they choose. 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 for Postal Forms

**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](http://www.investorcentre.com) under the information tab, "Downloadable 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.

**GO ONLINE TO LODGE YOUR PROXY,  
or turn over to complete the form →**

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**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.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

#### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Site Group International 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, as the proxy sees fit) at the General Meeting of Site Group International Limited to be held at Level 4, 96 Albert Street, Brisbane, Queensland on Friday, 15th June 2012 at 11.30am (Brisbane time) and at any adjournment of that meeting.

**Important for all Items:** If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on the items below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on any of these items and your votes will not be counted in computing the required majority if a poll is called on any item. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

☐

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of the below items and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

### 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		For	Against	Abstain
1 Approval of issue of Shares to Cyba Recruitment Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of issue of Shares to Darryl Somerville	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of issue of Shares to The J & L Rodgers Family Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval of issue of Shares to Nicasio Alcantara	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of issue of Shares under the Cyba Consultant Incentive Share Deed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of issue of Shares to Vernon Wills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Amended Employee Share Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of issue of Shares to Blake Wills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Issue of Shares to Full or Part Time Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of issue of Shares to Jamie Wills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of issue of Shares to Shaun Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Ratification of Issue of Sign-On Bonus Shares to Full or Part Time Employees	<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.

### 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 \_\_\_\_ / \_\_\_\_ / \_\_\_\_

S I T

1 4 6 6 0 6 A

Computershare +