RECTIFIER TECHNOLOGIES LTD

ABN: 82 058 010 692

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of Rectifier Technologies Ltd ABN 82 058 010 692 will be held at 10:30 am AEDT on Monday, 30 November 2015 at the offices of Grant Thornton, Level 30, 525 Collins Street, Melbourne, Victoria.

The attached Explanatory Memorandum is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Memorandum is to be read in conjunction with this Notice.

1. <u>Agenda</u>

1.1 Accounts and Reports

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2015.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's financial statements and reports.

The Company's auditor, Grant Thornton Audit Pty Ltd, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Rectifier Technologies Ltd 2015 Annual Report can be viewed online at the Company's website http://www.rectifiertechnologies.com or on the ASX website www.asx.com.au (ASX code: RFT).

1.2 Resolution 1 – Adopt Remuneration Report

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

"That, the Company's Remuneration Report for the financial year ended 30 June 2015 be adopted."

Voting exclusion statement: No votes can be cast on by or on behalf of a member of Key Management Personnel (KMP) (as identified in the Remuneration Report) and their closely related parties (collectively referred to as a Prohibited Voter). However, a Prohibited Voter may vote directed proxies for someone other than a Prohibited Voter.

Further, a member of KMP (regardless of whether or not their remuneration details are disclosed in the Remuneration Report) and their closely related parties may not vote a proxy on this resolution unless it is a directed proxy and the vote is not cast on behalf of a Prohibited Voter. However, the Chairman can vote undirected proxies, provided the proxy expressly authorises the Chairman to do so.

1.3 Resolution 2 – Re-election of Mr Ying Ming Wang as a Director

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

"That Mr Ying Ming Wang, who retires in accordance with Article 17.1 of the Company's Constitution and, being eligible, be re-elected as a Director of the Company."

1.4 Resolution 3 – Approve the previous issue of 51,142,150 Shares

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 51,142,150 Shares, as referred to in the Explanatory Memorandum, is approved."

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who participated in the issue or received a benefit and any of their associates. 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 a direction on the proxy form to vote as the proxy decides.

1.5 Resolution 4 – Approve the issue of Shares to Pudu Investment (Australia) Pty Ltd

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to a total of 11,643,616 Shares to Pudu Investment (Australia) Pty Ltd, an entity associated with Mr. Ying Ming Wang, as consideration for the part re-payment of a loan payable to Pudu Investment (Australia) Pty Ltd, as referred to in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on this Resolution by Pudu Investment (Australia) Pty Ltd and Mr Ying Ming Wang and any of their associates. However, the Company will not disregard a vote if:

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

1.6 Resolution 5 – Approve the issue of Shares to Tino Vescovi

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to a total of 20,183,732 Shares to Tino Vescovi, as consideration for the part re-payment of a loan payable to Tino Vescovi, as referred to in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast on this Resolution by Tino Vescovi and any of his associates. However, the Company will not disregard a vote if:

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

2. Determination of voting entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognised as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEDT on 26 November 2015.

3. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company at 24 Harker Street Burwood Vic 3125 Australia or by facsimile on +61(0) 3 9896 7560 by 10:30 a.m. AEDT on 28 November 2015.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of all Resolutions.

If the proxy is the Chairman, the Chairman can vote undirected proxies on Resolution 1, even though the Resolution 1 is connected with the remuneration of the key management personnel, only if the proxy form expressly authorizes the Chairman to vote undirected proxies on Resolution 1.

A form of proxy accompanies this Notice of Meeting.

5. Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, Grant Thornton Audit Pty Ltd. These questions should relevant to:

a) the conduct of the audit;
b) the preparation and contents of the audit report;
c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Grant Thornton Audit Pty Ltd if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2015. Relevant written questions for the auditor must be received by the Company no later than 10:30 a.m. AEDT on 23 November 2015. A representative of Grant Thornton Audit Pty Ltd will provide answers to relevant questions at the Meeting.

6. Explanatory Memorandum

This Explanatory Memorandum is to be read in conjunction with the Notice of Meeting of Rectifier Technologies Ltd, to be held at 10.30am AEDT on Monday, 30 November 2015 at Level 30, 525 Collins Street, Melbourne, Victoria.

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

6.1 Resolution 1: Adoption of Remuneration Report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2015. The Remuneration Report sets out details of the remuneration received by the Directors and key Company executives.

Resolution 1 seeks Shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this Resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act require a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report and provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.

- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2016 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a 'first strike'.

The Remuneration Report is set out in the Company's 2015 Annual Report. The Company's 2015 Annual Report can be viewed online at the Company's website: http://www.rectifiertechnologies.com or on the ASX website: www.asx.com.au (ASX code: RFT).

In accordance with section 250SA of the Corporations Act, Shareholders will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Directors' recommendation

The Board considers that the Company's remuneration policies are structured to provide rewards based on its performance and that are competitive with those in markets in which it operates.

On that basis, and with each director acknowledging their personal interest, the Board recommends that shareholders vote in favour of this resolution.

6.2 Resolution 2 – Re-election of Mr Ying Ming Wang as a Director

In accordance with the Company's Constitution, Mr Ying Ming Wang retires from office and, being eligible, offers himself for re-election.

The personal particulars of Mr Ying Ming Wang are set out in the Company's 2015 Annual Report.

Directors' recommendation

The Directors, other than Mr Ying Ming Wang, recommend that shareholders vote in favour of this resolution. Mr Ying Ming Wang makes no recommendation in relation to this resolution.

6.3 Resolution 3 – Approve the previous issue of Shares

Background

In June 2015, the Company issued a combined total of 51,142,150 Shares without the prior approval of Shareholders and in accordance with ASX Listing Rule 7.1. Shares were issued as consideration for the part repayment of loans payable to former directors of the Company.

The loans were provided to the Company in 2006 and 2007 when the Company required additional funding to support its ongoing business operations.   Since April 2010 the loans have been non-interest bearing. The issue of 51,142,150 Shares reduced the Company's loan account liability by approximately $256,000.

Resolution 3 seeks Shareholder approval for the previous issues of 51,142,150 Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

ASX Listing Rules 7.1, 7.1A, 7.4 & 7.5

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

ASX Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 is treated as been made with approval if each of the following applies:

- the issue did not breach Listing Rule 7.1, and
- the shareholders of ordinary securities subsequently approve the issue.

The issue of 51,142,150 Shares in June 2015 did not breach ASX Listing Rule 7.1 and the Company seeks subsequent Shareholder approval for these issues of Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.5:

The number of securities to be issued	51,142,150 Shares
Issue price per security	$0.005 per share
Terms of security	Shares ranking equally with all existing shares
Persons whom securities were issued or basis of issue	Mr Malcolm Duncan - 25,142,545 Shares Mr Ray Shaw – 25,999,605 Shares

Use of funds raised	No funds were raised directly from the issue of Shares as Shares were issued as consideration for repayment of loan funds provided to the Company in 2006 and 2007.

Directors' recommendation

The Directors, recommend that shareholders vote in favour of this resolution.

6.4 Resolution 4 & 5 - Approve the issue of Shares to Pudu Investment (Australia) Pty Ltd (Resolution 4) & Approve the issue of Shares to Tino Vescovi (Resolution 5).

Background

In 2006 and 2007, Directors of the Company and/or their related entities provided the Company with loans in order to fund the Company's working capital requirements. As at the date of the Notice, the Company has $116,436.16 payable to Pudu Investment (Australia) Pty Ltd ("Pudu"), an entity associated with Company Director Mr. Ying Ming Wang, and $201,837.32 payable to Company Director, Tino Vescovi. Since April 2010 the loans have been non-interest bearing and to date no demand for repayment has been made to the Company by the lenders.

In May 2015, the Company announced that it would make offers to the lenders to convert 50% of the total value of the loans to Shares at a conversion / Share issue price of $0.005 per share.

The Board views the conversion rate as appropriate to encourage the conversion of 50% of the loans to Shares and also in recognition of the good faith and financial support provided to the Company by the lenders in providing the loans, waiving their right to receive interest since 2010 and not exercising their right to demand re-payment of the loans.

The passing of Resolutions 4 and 5 will allow the Company to issue Shares as consideration for 50% of loan funds payable to Pudu and Tino Vescovi thus reduce the balance of loans funds payable to Pudu and Tino Vescovi by up to 50%.

ASX Listing Rule 10.11

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Directors of the Company are related parties of the Company and therefore Shareholder approval for the issue of Shares to pursuant to Resolutions 4 and 5 is required under Listing Rule 10.11.

In accordance with ASX listing rule 7.2 (Exception 14) if approval is given under listing rule 10.11, approval is not required under listing rule 7.1. Accordingly, if approved, the issue of Shares pursuant to Resolutions 4 and 5 will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Corporations Act 2001 (Cth)

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a related party unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party. Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given arm's length terms, that is on terms that:

(a) would be reasonable in the circumstances if the public company and the related party were dealing at arm's length; or
(b) are less favourable to the related party than the terms referred to in paragraph (a).

The Company considers that the proposed issue of securities the subject of Resolutions 4 and 5 and the terms of the loans are on arm's length terms or terms less favorable to the related party than arms length and, as such, fall within the exception set out in section 210 of the Corporations Act.

ASX Listing Rule 10.13

In accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to Pudu pursuant to Resolution 4 and Tino Vescovi pursuant to Resolution 5.

	Resolution 4 - Issue of Shares to Pudu Investment (Australia) Pty Ltd	**Resolution 5 - Issue of Shares to Tino Vescovi**
Maximum number of securities to be issued	11,643,616 Shares	20,183,732 Shares
Date of issue	The Shares will be issued within one month of the date of the Meeting.	The Shares will be issued within one month of the date of the Meeting.
Issue price per security	$0.005 per share	$0.005 per share
Terms of issue	The Shares will rank equally with all existing Shares on issue.	The Shares will rank equally with all existing Shares on issue.
Persons to whom securities will be issued	Pudu Investment (Australia) Pty Ltd or its nominee	Mr Tino Vescov or his nominee.
Intended use of funds	Shares will be issued as consideration for repayment of loan funds provides to the Company in 2006 and 2007.	Shares will be issued as consideration for repayment of loan funds provides to the Company in 2006 and 2007.

Directors' recommendation

The Directors, other than Mr. Ying Ming Wang, recommend that shareholders vote in favour of Resolution 4. Mr. Ying Ming Wang makes no recommendation in relation to Resolution 4.

The Directors, other than Mr.Tino Vescovi, recommend that shareholders vote in favour of Resolution 5. Mr. Tino Vescovi makes no recommendation in relation to Resolution 5.

7. Glossary

AEDT means Australian Eastern Daylight Savings Time.

Australian Securities Exchange (ASX) means ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.

ASX Listing Rules or Listing Rules means the official listing rules of ASX.

Board means the Board of directors of the Company.

Company means Rectifier Technologies Ltd ABN 82 058 010 692.

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

Directors mean the directors of the Company and **Director** means any of them.

Explanatory Memorandum means the explanatory memorandum that accompany, and are incorporated as part of, the Notice of Meeting.

Key Management Personnel (KMP) means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include its directors and certain senior executives.

Meeting or **AGM** means the 2015 Annual General Meeting of Shareholders convened by the Notice of Meeting.

Notice of Meeting or Notice means this Notice of the 2015 Annual General Meeting dated 20 October 2015.

Resolution means a resolution set out in the Notice of Meeting.

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

Shareholder means a holder of at least one Share as shown on the register of members of the Company as at 7:00 p.m. (AEDT) on Thursday, 26 November 2015.

Proxy Form

Rectifier Technologies Ltd
ACN 058 010 692
24 Harker Street Burwood
Vic 3125 AUSTRALIA

STEP 1 - Appointment of Proxy

I/We

being a shareholder/s of Rectifier Technologies Ltd and entitled to attend and vote hereby appoint

☐ the Chairman of the General Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered security holder) you are appointing as your proxy.

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 at the 2015 **Annual General Meeting of Rectifier Technologies Ltd to be held at 10:30 am AEDT on Monday, 30 November 2015 at Level 30, 525 Collins Street, Melbourne, Victoria** and at any adjournment of that Meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default, by signing and returning this form, you expressly authorise the Chairman of the Meeting to exercise your proxy in relation to Resolution 1 even though Resolution 1 is connected with the remuneration of the Company's key management personnel. Where permitted, the Chairman of the General Meeting intends to vote undirected proxies in favour of Resolutions 1 to 5. **If you do not wish to appoint the Chairman of the Meeting to vote on Resolutions 1 to 5 in this manner, it will be necessary for you to complete the vote directions in Step 2.**

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business	For	Against	Abstain
Resolution 1 - Adoption of Remuneration Report	☐	☐	☐
Resolution 2 - Re-election of Mr Ying Ming Wang as a Director	☐	☐	☐
Resolution 3 - Approve the previous issue of 51,142,150 Shares	☐	☐	☐
Resolution 4 - Approve the issue of up to 11,643,616 Shares to Pudu Investment (Australia) Pty Ltd	☐	☐	☐
Resolution 5 – Approve the issue of up to 20,183,732 Shares to Tino Vescovi	☐	☐	☐

STEP 3 - PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name ……………………………………..**Contact Daytime Telephone** ……………………… **Date** / / 2015

Proxy Form

Rectifier Technologies Ltd
ACN 058 010 692
24 Harker Street Burwood
Vic 3125 AUSTRALIA

YOUR VOTE IS IMPORTANT
FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.30AM AEDT ON 28 NOVEMBER 2015

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy
Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. Do not write the name of the issuer company or the registered member in the space.

Proxy which is a Body Corporate
Where a body corporate is appointed as your proxy, the representative of that body corporate attending the General Meeting must provide evidence of his or her appointment by providing an "Appointment of Corporate Representative" form prior to admission. An Appointment of Corporate Representative form can be obtained from the Company.

Appointment of a Second Proxy
You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must:
(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
(b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy
You can tell your Proxy how to vote. To direct your proxy how to vote, place a mark in one of the boxes opposite each Resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution, your vote on that Resolution will be invalid.

If you intend to appoint a KMP (including the Chairman) as your proxy, you are encouraged to direct them how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" for the item of business in Step 2 of the Proxy Form. If you appoint the Chairman of the meeting as your proxy, you expressly authorise him to cast your votes on Resolution 1 even though Resolution 1 is connected with the remuneration of the KMP of the Company.

STEP 3 Sign the Form
The form **must** be signed as follows**:**

Individual: this form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the Company. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a director jointly with either another director or a company secretary. Where the company has a sole director who is also the sole company secretary, this form must be signed by that person.

Please indicate the office held by signing in the appropriate place.

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 10:30 am on 28 November 2015. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxies may be lodged:

BY MAIL - Rectifier Technologies Ltd
24 Harker Street Burwood VIC 3125 AUSTRALIA

BY FAX - +61 3 9896 7560

IN PERSON – Rectifier Technologies Ltd
24 Harker Street Burwood VIC 3125 AUSTRALIA

Attending the Meeting
If you wish to attend the Meeting please bring this form with you to assist registration.

Queries
If you have any queries in relation to the Notice of Meeting or this Proxy Form please contact the Company Secretary on +61(0) 424 222 122.