



WOLFSTRIKE RENTALS GROUP LIMITED  
ACN 107 745 095

## **Notice of 2015 Annual General Meeting**

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### Venue

The 2015 Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at:

- 11.00am (AEDST)  
Tuesday, 1 March 2016  
Level 2  
22 Pitt Street  
SYDNEY NSW 2000

### Your vote is important

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

### Voting in person

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

### Voting by proxy

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

- post to PO Box 1592, Booragoon WA 6954;
- email to [eryn@kestelcorp8.com.au](mailto:eryn@kestelcorp8.com.au) or;
- facsimile to 08 9367 8812 (within Australia) and +61 8 9367 8812 (outside of Australia)

so that it is received not later than 11.00am (AEDST) on Friday, 26 February 2016.

**Proxy Forms received later than this time will be invalid.**

### Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 11.00am (AEDST) on Friday, 26 February 2016.

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## NOTICE OF 2015 ANNUAL GENERAL MEETING

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Notice is given that the 2015 Annual General Meeting of Wolfstrike Rentals Group Limited will be held at 11.00 am (AEDST) on Tuesday, 1 March 2016 at Level 2, 22 Pitt Street, Sydney NSW 2000.

The Explanatory Memorandum to this Notice of Meeting forms part of the Notice and provides additional information on matters to be considered at the Annual General Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary.

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## AGENDA

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### A. ORDINARY BUSINESS

#### Adoption of 2015 Annual Financial Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015 which includes the Financial Report, the Directors' and Auditor's Reports.

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### B. RESOLUTIONS

#### NON-BINDING Resolution:

##### 1. Resolution 1: Adoption of 2015 Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."*

#### **VOTING EXCLUSION STATEMENT**

In accordance with Section 250R of the Corporations Act, a vote on Resolution 1 must not be cast by, or on behalf of, a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by such person if:

- (a) That person is acting as proxy, the proxy form specifies how the proxy is to vote and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
  - (b) The person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.
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## ORDINARY Resolutions

### 2. Resolution 2: Re-Election of Mr Quentin Olde as Director

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

*“That, in accordance with clause 13.2 of the Company’s Constitution and for all other purposes, Mr Quentin Olde, who retires by rotation in accordance with the Company’s Constitution, offers himself for re-election and is hereby re-elected as a director of the Company.”*

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### 3. Resolution 3: Ratification of Variation to Initial Convertible Notes (previously approved by shareholders)

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

*“That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, approval be given in respect of the variation of the Initial Convertible Notes previously issued by the Company to various parties pursuant to Deeds of Variation entered into with each of these parties, together with the issue of shares upon conversion of and in accordance with the terms of these Initial Convertible Notes and as set out in the Explanatory Notes annexed to and forming part of this Notice of Meeting.”*

#### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (a) holders of the Initial Convertible Notes and any other person who may obtain a benefit, except a benefit solely in the capacity of a security holder if the resolution is passed; or
- (b) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

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### 4. Resolution 4: Issue of Shares to Holders of Convertible Loan Notes

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

*“That, for the purposes of Listing Rules 7.1 and 7.4 and for all other purposes, approval is given for the issue by the Company of up to 62,500,000 Shares paid to \$0.016 per Share that may be issued upon conversion of twenty (20) Convertible Loan Notes of \$50,000 each.”*

#### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (a) a person who participated in the issue;
- (b) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person

chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

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## **5. Resolution 5: Issue of Bonus Shares to Noteholders**

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

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the allotment and issue of (1) Bonus Share for each one (1) Share issued to a Noteholder upon conversion of an Initial Convertible Note or Convertible Loan Note on the terms and conditions set out in the Explanatory Statement, being approval for the issue of up to 125,000,000 Shares.”*

### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (a) a person who participated in the issue;
- (b) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

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## **6. Resolution 6: Issue of Attaching Options to Noteholders**

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

*“That, for the purpose of Listing Rules 7.1 and for all other purposes, approval is given for the allotment and issue of (1) Attaching Option (with an exercise price of \$0.02 and an expiry date of twenty four (24) months after Readmission) for each one (1) Share issued to a Noteholder upon conversion of an Initial Convertible Note or Convertible Loan Note, on the terms and conditions set out in the Explanatory Statement, being approval for the issue of up to 125,000,000 Options.”*

### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (a) a person who participated in the issue;
- (b) a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

## **7. Resolution 7: Issue of Convertible Notes to an Associate of Mr Quentin Olde**

Subject to the previous Resolutions being passed, to consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 10.11 and all other purposes, shareholders approve the issue of three (3) Initial Convertible Notes to Saint-Emilion Enterprises Pty Ltd (ACN 164 462 846), a company associated with a director of the Company, Mr Quentin Olde, (and/or its nominee(s)) as described in and on the terms set out in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting.”*

### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (a) Mr Quentin Olde;
- (b) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

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## **8. Resolution 8: Issue of Shares, Bonus Shares and Attaching Options to an Associate of Mr Quentin Olde**

Subject to the previous Resolutions being passed, to consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 10.11 and all other purposes, shareholders approve:*

- (a) the issue of 9,375,000 Shares paid to \$0.016 per Share that may be issued upon conversion of three (3) Initial Convertible Notes of \$50,000 each; and*
- (b) the allotment and issue of 9,375,000 Attaching Options (with an exercise price of \$0.02 and an expiry date of twenty four (24) months after Readmission), being one (1) Attaching Option for each one (1) Share issued upon conversion of an Initial Convertible Note; and*
- (c) the allotment and issue of 9,375,000 Bonus Shares, being one (1) Bonus Share for each one (1) Share issued upon conversion of an Initial Convertible Note”;*

*to Saint-Emilion Enterprises Pty Ltd (ACN 164 462 846), a company associated with a director of the Company, Mr Quentin Olde, (and/or its nominee(s)) as described in and on the terms set out in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting.”*

### **VOTING EXCLUSION STATEMENT:**

The Company will exclude any votes cast on this resolution by:

- (d) Mr Quentin Olde;
- (e) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (f) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

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### **General Business**

To consider any other business that may be brought forward in accordance with the Constitution of the Company or the Corporation Act.

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### **By Order of the Board**



**Eryn Kestel**  
**Company Secretary**  
29 January 2016

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## EXPLANATORY MEMORANDUM

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This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the 2015 Annual General Meeting of Wolfstrike Rentals Group Limited Shareholders to be held on Tuesday, 1 March 2016 at 11.00am (AEDST) at Level 2, 22 Pitt Street, Sydney NSW 2000.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice and is a brief explanation of the matters for which Shareholder approval is sought in each Resolution.

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## ANNUAL FINANCIAL REPORT

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The first agenda item is to receive the Annual Report of the Company for the year ended 30 June 2015.

Section 317 of the Corporations Act requires the Directors to lay before the Annual General Meeting the financial report, the directors' report (including the Remuneration Report) and the auditor's report for the last financial year that ended 30 June 2015. Those holders that elected to receive a printed copy of the annual report will have received a copy with this Notice.

In accordance with sections 250S and 250SA of the Corporations Act, shareholders present at the Annual General Meeting will be provided with a reasonable opportunity to

- (a) ask questions or make comment to the Directors' present on the management of the Company and Remuneration Report; and
- (b) ask questions or make comment to the Auditor about the conduct of the audit and the preparation and content of the Auditor's Report.

But no formal resolution to adopt the annual report will be put to the shareholders at the Annual General Meeting.

Shareholders who are unable to attend the Annual General Meeting are able to submit written questions to the Chairman about:

- (a) The preparation and the content of the 2015 Auditor's Report;
- (b) The conduct of the 2015 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the 2015 financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2015 audit.

The questions will need to be submitted no later than five (5) business days (no later than Tuesday, 23 February 2016) before the Annual General Meeting to the Company Secretary.

**The Annual Report is now available on the Company's website via the following link:**

<http://www.wolfstrike.net/>

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## RESOLUTION 1 – ADOPTION OF 2015 REMUNERATION REPORT

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In accordance with Section 250R(2) of the Corporations Act at a listed company's Annual General Meeting, the Board is required to table the Company's Remuneration Report to Shareholders for consideration and adoption.

The Remuneration Report is incorporated into the Directors' Report contained in the 2015 Annual Report and in accordance with Section 300A of the Corporations Act sets out the remuneration policy of the Company and reports the current remuneration arrangements in place for the Non-Executive Directors.

The Remuneration Report:

- sets out the remuneration arrangements for each Director and for each of the KMP of the Company; and



- explains the Board's policies in relation to the objectives and structure of remuneration.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

In accordance with Section 250SA of the Corporations Act, Shareholders will be given an opportunity to ask questions of the Directors in relation to the Remuneration Report.

The Remuneration Report is for consideration and adoption by way of a non-binding resolution. The vote on this Resolution is advisory only and does not bind the Directors of the Company to the outcome passed.

A failure of Shareholders to pass Resolution 1 will not require the directors to alter any of the arrangements in the Remuneration Reports and the Board will take into account the outcomes of the votes when considering the future remuneration arrangements of the Company.

The Director and Executive Remuneration Act which came into effect on 1 July 2011 provides Shareholders with the opportunity to remove the Board under the two strike rules.

If at least 25% of the votes cast on the Adoption of the Remuneration Report Resolution vote against the Resolution for two (2) years consecutively, the Board Spill provisions will be triggered.

The 2011 to 2014 Remuneration Reports were approved by Shareholders at the March 2015 Extraordinary General Meeting and to date the Company has not recorded any strikes and the Board Spill provisions have not been triggered.

Pursuant to the Corporations Act, if a KMP or any Closely Related Party is appointed as a proxy to vote on Resolution 1, **express instructions/directions must be given so that the proxy knows how to vote** - if no directions on how to vote on Resolution 1 is provided, a KMP or any Closely Related Party is prevented by the Corporations Act from exercising the undirected vote and the vote will not be counted in relation to Resolution 1.

If the Chairman is appointed as a proxy to vote on Resolution 1, and no directions on how to vote on Resolution 1 are provided, then in order for the Chairman to be able to exercise the vote on Resolution 1, the **proxy must expressly authorise the Chairman to exercise the proxy despite Resolution 1 being connected with remuneration of the KMP.**

If no authorisation is provided, the Chairman is prevented by the Corporations Act from exercising the undirected vote, and the vote will not be counted in relation to Resolution 1.

**The Chairman intends to exercise all undirected proxies which have been authorised in such a manner in favour of Resolution 1.**

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

*Recommendation of Board*

*The Board of Directors unanimously recommend that Shareholders vote in favour of Resolution 1.*

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## **RESOLUTION 2 – RE-ELECTION OF MR OLDE**

In accordance with ASX Listing Rule 14.4 and Clause 13.2 of the Constitution, directors must retire after the third Annual General Meeting since they were last elected. In accordance with the Company's Constitution at the Annual General Meeting, one-third of the directors must retire from office.

Wolfstrike Rentals Group Limited currently has three (3) Non-Executive Directors and accordingly, one (1) of the Non-Executive Directors must retire by rotation but under the terms of the Constitution, the retiring director is eligible for re-election.

**Mr Quentin Olde**  
**Non-Executive Director**

**Qualifications**

Chartered Accountant

**Experience, expertise and directorships**

Mr Olde is an experienced and respected restructuring and turnaround professional with over 20 years' experience as a chartered accountant and advisor to financiers, corporates and investors. He is currently Senior Managing Director at FTI Consulting, a global restructuring and crisis management firm.

Quentin has significant experience advising public and ASX listed companies on financial and operational matters, and brings a wealth of experience and contacts in the financial services, banking and corporate sectors. His experience will assist the Company set strategic direction and source funding for planned growth.

*Recommendation of Board*

*The Board (excluding Mr Olde) recommend the re-election of Mr Olde as a Director of the Company.*

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**RESOLUTION 3- RATIFICATION OF VARIATION TO INITIAL CONVERTIBLE NOTES (PREVIOUSLY APPROVED BY SHAREHOLDERS)**

**3.1: Variation of Initial Convertible Note Terms**

In addition to the Convertible Loan Notes referred to in Resolution 4 below, the Company has also previously issued twenty (20) Initial Convertible Notes of \$50,000 each for a total face value of \$1,000,000.

Shareholders have previously approved the original issue of these Notes pursuant to ASX Listing Rules 7.1 and 7.4 together with the issue of shares upon conversion of these Notes at the last Annual General Meeting of the Company held on 20 March, 2015.

On or around 3 December 2015, the Company finalised Deeds of Variation to Initial Convertible Note Agreements (**Deeds of Variation**) with each of the Noteholders. The key terms of the Initial Convertible Notes have now been varied as follows:

- (a) the maturity date of each Initial Convertible Note has been extended to the date two (2) years from the date of that note (**Maturity Date**);
- (b) the Conversion Period during which a noteholder may convert an Initial Convertible Note has been amended, and is now any time following:
  - i. the Company receiving in-principle approval from the ASX for the Relisting of the Company (**In-Principle Approval**); and
  - ii. all conditions attached to the In-Principle Approval being satisfied by the Company, save for any condition which would require conversion of the Initial Convertible Note into securities in the Company (**ASX Conditions**);subject to the In-Principle Approval being received and the ASX Conditions being satisfied prior to the Maturity Date;"
- (c) The Company may at any time during the Conversion Period, by way of full or partial redemption of an Initial Convertible Note, subject to any Shareholder approval if required, elect to convert an Initial Convertible Note into the number of fully paid Shares subscribed for at the Share Subscription Price equal to the Note Face Value;
- (d) If a party converts an Initial Convertible Note in accordance with clause 3.1(c), for each Share issued to a noteholder upon a conversion, the noteholder shall also be entitled to be issued:
  - i. one (1) Bonus Share in the Company; and
  - ii. one (1) Attaching Option to subscribe for Shares in the Company, on the terms specified in

Resolution 6 below; and

- iii. the Lender shall forego any interest payable by the Company on the Initial Convertible Note.
- (e) If the Company or the noteholder has not converted an Initial Convertible Note prior to the Maturity Date, then upon the Maturity Date the Company must redeem the Initial Convertible Note for the Initial Convertible Note Face Value together with any accrued but unpaid interest thereon. If an Initial Convertible Note is redeemed in accordance with this clause 3.1(e), the Initial Convertible Note shall be taken to bear interest at an annual percentage rate of twelve per centum (12%), which will accrue until conversion.

The remaining key terms of the Notes remain unchanged. Approval is now being sought pursuant to ASX Listing Rule 7.1 for the variation of the Initial Convertible Notes previously issued, together with the issue of shares upon conversion of the Initial Convertible Notes and the issue of shares in accordance with the terms of the Initial Convertible Notes.

The following information relates to the original Initial Convertible Notes issued in 2015 as amended by the Deeds of Variation on or around 3 December 2015:

### **3.2: Number of Securities (Notes and number of securities they may convert into)**

The number of securities for which shareholder approval is being sought is 20 Initial Convertible Notes. As the Company has been suspended since the Initial Convertible Notes were issued, there is no change to the conversion price as against the 30 day volume weighted average price of the Company's shares at the time of conversion.

Each Initial Convertible Note has a Note Face Value of \$50,000 (total \$1,000,000) and is convertible on a per Note basis into 3,125,000 Shares at \$0.016 per Share.

Upon conversion of the Initial Convertible Notes, the holder of the Initial Convertible Notes will also be entitled to be issued one (1) Bonus Share plus one (1) Attaching Option for every Share issued to that holder on conversion of the Convertible Notes. Please refer to Resolutions 5 and 6 which seek Shareholder approval for the issuance of such securities.

Please note that the Initial Convertible Notes to be varied include three (3) Initial Convertible Notes, issued for a total face value of \$150,000 to an associate of a non-executive director of the Company, Mr. Quentin Olde, being Saint-Emilion Enterprises Pty Ltd.

The issue of Initial Convertible Notes to an associate of Mr Olde, and variation of such Initial Convertible Notes, are the subject of Resolution 7. However, please note that the references to Initial Convertible Notes in this Resolution 3 include the Initial Convertible Notes issued to Saint-Emilion Enterprises Pty Ltd.

### **3.3: Date of Issue**

The Initial Convertible Notes were originally issued between February and April 2015. Each of the Initial Convertible Notes has been varied by a Deed of Variation.

### **3.4: Consideration**

The Initial Convertible Notes were issued at an issue price of \$50,000 each.

### **3.5: Terms of the Notes**

Each Initial Convertible Note may be converted into ordinary shares in the capital of the Company at any time during the Conversion Period at the election of the noteholder or the Company. For each Share issued upon conversion of the Initial Convertible Notes, the holder will be entitled to be issued one (1) Bonus Share and one (1) Attaching Option. The Maturity Date of the Initial Convertible Notes is 2 years from the date of issue.

### **3.6: Issue Price of the Shares**

Each Initial Convertible Note is convertible into 3,125,000 Shares at \$0.016 per Share

### 3.7: Use of Funds Raised

There will be no fresh funds raised by the variation of the Initial Convertible Notes, as they were originally issued in 2015. The funds raised at that time have primarily been used to pay out certain creditors and meeting the costs of the Wolfstrike Acquisition, with the balance used as working capital.

### 3.8: Names of the Noteholders

The Initial Convertible Notes were issued in 2015 to sophisticated investors identified by the Board, including Saint-Emilion Enterprises Pty Ltd, an associate of a non-executive director of the Company, Mr Quentin Olde.

### 3.9 Voting exclusion statement

The Company will exclude any votes cast on this resolution by:

- (a) holders of the Initial Convertible Notes and any other person who may obtain a benefit, except a benefit solely in the capacity of a security holder if the resolution is passed; or
- (b) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

#### *Recommendation of Board*

*The Board of Directors (excluding Mr Olde) recommends that Shareholders vote in favour of Resolution 3.*

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## RESOLUTION 4 – ISSUE OF SHARES TO HOLDERS OF CONVERTIBLE LOAN NOTES

The Company has raised \$1,000,000 by the issue of twenty (20) Convertible Loan Notes on the Loan Note Conditions summarised at paragraph 4.1 below. The purpose of the issue of the Convertible Loans was to provide the Company with funds to repay its creditors and to assist with the cost of the Acquisition and proposed Readmission.

### 4.1: Loan Note Conditions

- (a) Each Convertible Loan Note has a face value of \$50,000 (**Loan Note Face Value**);
- (b) The Conversion Period for the Convertible Loan Notes is any date following:
  - i. the Company receiving in-principle approval from the ASX for the Relisting of the Company (**In-Principle Approval**); and
  - ii. all conditions attached to the In-Principle Approval being satisfied by the Company, save for any condition which would require conversion of the Convertible Note into securities in the Company (**ASX Conditions**);

subject to the In-Principle Approval being received and the ASX Conditions being satisfied prior to the maturity date of 2 years from the date of the Convertible Loan Note (**Maturity Date**).

- (c) The Company or the holder of a Convertible Loan Note (**Lender**) may at any time during the Conversion Period, by way of full or partial redemption of the Convertible Loan Note, subject to any Shareholder approval if required, elect to convert a Convertible Loan into the number of fully paid Shares subscribed for at the Share subscription price equal to the Loan Note Face Value.
- (d) If a party converts a Convertible Loan Note in accordance with clause 4.1(c), for each Share issued to a Lender upon a conversion, the Lender shall also be entitled to be issued:

- i. one (1) Bonus Share in the Company; and
  - ii. one (1) Attaching Option to subscribe for Shares in the Company, on the terms specified in Resolution 6 below; and
  - iii. the Lender shall forego any interest payable by the Company on the Convertible Loan Note.
- (e) If the Company or the Lender has not converted a Convertible Loan Note prior to the Maturity Date, then upon the Maturity Date the Company must redeem the Convertible Loan Note for the Loan Note Face Value together with any accrued but unpaid interest thereon. If a Convertible Loan Note is redeemed in accordance with this clause 4.1(e), the Convertible Loan Note shall be taken to bear interest at an annual percentage rate of twelve per centum (12%), which will accrue until conversion.

The Convertible Loan Notes have only been issued to persons to whom disclosure is not required pursuant to Chapter 6D.2 of the Corporations Act 2001. If a holder would acquire a relevant interest in issued voting Shares in the Company upon conversion of the Convertible Loan Notes, then the issue of such Shares will be subject to the approval of Shareholders under Item 7, Section 611 of the Corporations Act 2001.

Pursuant to Listing Rule 7.1, shareholder approval is required for an issue of securities by a listed company where the securities proposed to be issued are equivalent to more than 15% of the Company's securities then on issue. When assessing the need for shareholder approval, it is assumed that each Convertible Loan Note will be converted by way of full redemption by the Company.

#### **Technical Information:**

For the purposes of Listing Rule 7.3, further information regarding the Convertible Loan Notes is as follows:

#### **4.2: Maximum number of securities to be issued**

For the purposes of this resolution, the maximum number of Shares that will be issued on conversion of the Convertible Loan Notes will be 62,500,000 Shares.

Please note that on conversion of the Convertible Loan Notes the holder of the Convertible Loan Notes will also be entitled to be issued one (1) Bonus Share plus one (1) Attaching Option for every Share issued to that holder on conversion of the Convertible Loan Notes. Please refer to Resolutions 5 and 6 which seek Shareholder approval for the issuance of such securities.

#### **4.3: The date by which the Company will issue securities**

The date of issue of the securities to be issued on conversion of the Convertible Loan Notes will be no more than three (3) months after the date of the Annual General Meeting.

The securities will only be issued if the Convertible Loan Notes are converted in accordance with their terms of issue.

#### **4.4: Issue price of the securities**

The number of Convertible Loan Notes which have been issued are twenty (20) Convertible Loan Notes, each with a Loan Note Face Value of \$50,000 (total \$1,000,000), and convertible on a per note basis into 3,125,000 Shares at an issue price of \$0.016 per Share.

#### **4.5 The names of the persons to whom the securities will be issued**

The holders of the Convertible Loan Notes, being the following parties:

- (a) Brylet Pty Ltd (ACN 003 172 496)
- (b) Carol MacDonald
- (c) Ecometrix Pty Ltd (ACN 003 651 910)

- (d) K&M Superannuation Fund Pty Ltd (ACN 696 189 636)
- (e) Karantzas Investments Pty Ltd (ACN 123 950 461)
- (f) Merle and Kathryn Smith
- (g) Sayers Sf Pty Ltd (ACN 600 207 663)
- (h) Scintilla Strategic Investments Ltd (ACN 127 221 916)
- (i) Supermax Pty Ltd Atf Supermax Super Fund (ACN 105 191 786)

#### **4.6: Terms of the securities**

The Shares issued on conversion of the Convertible Loan Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

#### **4.7: The intended use of the funds raised**

There will be no funds raised through the issue of the Shares upon conversion of the Convertible Loan Notes. However, the funds raised from the Convertible Loan Notes were utilised for the purposes of repayment of creditors and assisting with the costs of the Acquisition and Re-Admission.

#### **4.8 Voting exclusion statement**

The Company will exclude any votes cast on this resolution by:

- (a) any Lender;
- (b) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

#### *Recommendation of Board*

*The Board of Directors unanimously recommend that Shareholders vote in favour of Resolution 4.*

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## **RESOLUTION 5 – ISSUE OF BONUS SHARES TO NOTEHOLDERS**

### **5.1: Background**

Up to 125,000,000 Bonus Shares are to be issued to Noteholders (being holders of Initial Convertible Notes and Convertible Loan Notes) on the basis that, on conversion of Convertible Notes, Noteholders will be entitled to be issued one (1) Bonus Share for every one (1) Share received by the Noteholder on conversion of the Convertible Notes.

The total amount of Shares that the outstanding Convertible Notes may convert into is equal to 125,000,000 Shares, and therefore, a total of 125,000,000 Bonus Shares may be issued to Noteholders. Approval of the issue of these Bonus Shares is sought pursuant to Listing Rule 7.1.

#### ***Listing Rule 7.1***

Subject to certain exceptions, Listing Rule 7.1 provides that Shareholder approval is required for any issue of securities by a listed company where the securities proposed to be issued represent more than 15% of the

company's ordinary securities then on issue. By approving the issue of the Bonus Shares, the Company will retain the ability to issue further securities up to the Company's 15% placement capacity pursuant to Listing Rule 7.1 without obtaining prior Shareholder approval. In the circumstance that the Shareholder approval is not obtained for such issue of the Bonus Shares, the Bonus Shares will be issued to the extent permissible under the Company's annual placement capacity, reducing the Company's capacity to issue further securities without first seeking prior Shareholder approval.

### ***Technical Information***

Pursuant to Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Bonus Shares the subject of Resolution 5:

#### **5.2: Maximum number of securities to be issued:**

The maximum number of securities that may be issued is 125,000,000 Bonus Shares.

#### **5.3: The date by which the Company will issue securities**

The date of issue of the Bonus Shares will be no more than three (3) months after the date of the Annual General Meeting.

The securities will only be issued if the Convertible Notes are converted in accordance with their terms of issue.

#### **5.4: Issue price of the securities**

The Bonus Shares are to be issued for nil issue price. The Bonus Shares are issued as free attaching Shares to Noteholders on the basis of one (1) Bonus Share for each one (1) Share issued to the Noteholder upon conversion of their Convertible Notes into Shares.

#### **5.5: The persons to whom the securities will be issued**

The Bonus Shares will be issued to Noteholders if conversion of the Convertible Notes occurs in accordance with their terms.

The Bonus Shares are to be issued to Noteholders who subscribed for Convertible Notes, including Lenders who subscribed for the Convertible Loan Notes the subject of Resolution 4, being investors who were eligible to be made offers without disclosure pursuant to an exemption under section 708 of the Corporations Act.

Saint-Emilion Enterprises Pty Ltd is associated with a non-executive director of the Company, Mr Quentin Olde. The issue of Shares, Bonus Shares and Attaching Options to Saint-Emilion Enterprises Pty Ltd is the subject of Resolution 7.

#### **5.6: Terms of the securities**

The Bonus Shares issued on conversion of the Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares.

#### **5.7: The intended use of the funds raised**

The Bonus Shares will be issued for nil issue price, and as such, no funds will be raised from the issue thereof.

#### **5.8: Voting exclusion statement**

The Company will exclude any votes cast on this resolution by:

(a) any Noteholder;

(b) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or

(c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

*Recommendation of Board*

*The Board of Directors (excluding Mr Olde) unanimously recommend that Shareholders vote in favour of Resolution 5.*

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## **RESOLUTION 6 – ISSUE OF ATTACHING OPTIONS TO NOTEHOLDERS**

### **6.1: Background**

Up to 125,000,000 Attaching Options are to be issued to Noteholders (being holders of Initial Convertible Notes and Convertible Loan Notes) on the basis of one (1) Attaching Option for every one (1) Share received by the Noteholder on conversion of the Convertible Notes.

Approval of the issue of these Attaching Options is sought pursuant to Listing Rule 7.1.

#### ***Listing Rule 7.1***

Subject to certain exceptions, Listing Rule 7.1 provides that Shareholder approval is required for any issue of securities by a listed company where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue. By approving the issue of the Attaching Options, the Company will retain the ability to issue further securities up to the Company's 15% placement capacity pursuant to Listing Rule 7.1 without obtaining prior Shareholder approval. In the circumstance that the Shareholder approval is not obtained for such issue of the Attaching Options, the Attaching Options will be issued to the extent permissible under the Company's annual placement capacity, reducing the Company's capacity to issue further securities without first seeking prior Shareholder approval.

#### ***Listing Rule 1.1, Condition 11***

The Company has applied for a waiver by ASX to permit it to have options on issue with an exercise price of less than 20 cents.

#### ***Technical Information***

Pursuant to Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Attaching Options the subject of Resolution 6:

### **6.2: Maximum number of securities to be issued:**

The maximum number of securities that may be issued is 125,000,000 Attaching Options.

### **6.3: The date by which the Company will issue securities**

The date of issue of the Attaching Options will be no more than three (3) months after the date of the Annual General Meeting.

The securities will only be issued if the Convertible Notes are converted in accordance with their terms of issue.

### **6.4: Issue price of the securities**

The Attaching Options are to be issued for nil issue price. The Attaching Options are issued as free attaching options to Noteholders on the basis of one (1) Attaching Option for each one (1) Share issued to the Noteholder upon conversion of their Convertible Notes into Shares.



## **6.5: The persons to whom the securities will be issued**

The Attaching Options will be issued to Noteholders if conversion of the Convertible Notes occurs in accordance with their terms.

The Attaching Options are to be issued to Noteholders who subscribed for Convertible Notes, including Lenders who subscribed for the Convertible Loan Notes the subject of Resolution 4, being investors who were eligible to be made offers without disclosure pursuant to an exemption under section 708 of the Corporations Act.

Saint-Emilion Enterprises Pty Ltd is associated with a non-executive director of the Company, Mr Quentin Olde. The issue of Shares, Bonus Shares and Attaching Options to Saint-Emilion Enterprises Pty Ltd is the subject of Resolution 7.

## **6.6: Terms of the securities**

Each Attaching Option entitles the registered Option holder to acquire one (1) ordinary Share in the Company at the exercise price of \$0.02 per Share, and otherwise on the terms and conditions set out in Schedule 1.

The Attaching Options may be exercised within twenty four (24) months after the date of Readmission of the Company, and will not be quoted.

## **6.7: The intended use of the funds raised**

The Attaching Options will be issued for nil issue price, and as such, no funds will be raised from the issue thereof.

## **6.8: Voting exclusion statement**

The Company will exclude any votes cast on this resolution by:

- (a) any Noteholder;
- (b) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

### *Recommendation of Board*

*The Board of Directors (excluding Mr Olde) unanimously recommend that Shareholders vote in favour of Resolution 6.*

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## **RESOLUTION 7 – ISSUE OF INITIAL CONVERTIBLE NOTES TO AN ASSOCIATE OF MR QUENTIN OLDE**

### **7.1: Background**

The Company has previously issued three (3) Initial Convertible Notes for a total face value of \$150,000 to an associate of a non-executive director of the Company, Mr. Quentin Olde, being Saint-Emilion Enterprises Pty Ltd.

The three (3) Initial Convertible Notes which have been issued to Saint-Emilion Enterprises Pty Ltd are convertible on a per note basis into 3,125,000 Shares at an issue price of \$0.016 per Share.

Shareholders have previously approved the original issue of these Initial Convertible Notes pursuant to ASX Listing Rules 7.1 and 7.4 together with the issue of shares upon conversion of these Initial Convertible Notes at the last Annual General Meeting of the Company held on 20 March, 2015.

However, Shareholders have not previously approved the original issue of these Initial Convertible Notes to an associate of Mr Quentin Olde pursuant to ASX Listing Rule 10.11 and for all other purposes.

Therefore, the Company is now seeking Shareholder approval for the issue of the Initial Convertible Notes to Saint-Emilion Enterprises Pty Ltd pursuant to ASX Listing Rule 10.11.

#### *ASX Listing Rules*

Listing Rule 10.11 requires a company to obtain the approval of shareholders for issuing securities (including shares and options) to a related party of the Company. A related party can include an entity controlled by a director of the Company

#### *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 issue of Initial Convertible Notes to Saint-Emilion Enterprises Pty Ltd was on arm's length terms and, as such, falls within the exception set out in section 210 of the Corporations Act.

The Company has reached this view as the Initial Convertible Notes issued to Saint-Emilion Enterprises Pty Ltd are part of the Initial Convertible Notes approved by Shareholders at the March 2015 Extraordinary General Meeting, and the majority of the noteholders of the Initial Convertible Notes are not related parties of the Company.

The Listing Rules do not contain a similar exception. Therefore the Company is seeking approval under Listing Rule 10.11 notwithstanding the issue of the Initial Convertible Notes to Saint-Emilion Enterprises Pty Ltd being on arm's length terms.

## **7.2: Initial Convertible Note Conditions**

The conditions of the Initial Convertible Notes issued to Saint-Emilion Enterprises Pty Ltd, as varied by a Deed of Variation, are as follows:

- (a) Each Initial Convertible Note has a Note Face Value of \$50,000;
- (b) the maturity date of each Initial Convertible Note is the date two (2) years from the date of that note (**Maturity Date**);
- (c) the Conversion Period during which a noteholder may convert an Initial Convertible Note is any time following:
  - i. the Company receiving in-principle approval from the ASX for the Relisting of the Company (In-Principle Approval); and
  - ii. all conditions attached to the In-Principle Approval being satisfied by the Company, save for any condition which would require conversion of the Initial Convertible Note into securities in the Company (**ASX Conditions**);

subject to the In-Principle Approval being received and the ASX Conditions being satisfied prior to the Maturity Date;"

- (d) The Company may at any time during the Conversion Period, by way of full or partial redemption of the Initial Convertible Note, subject to any Shareholder approval if required, elect to convert an Initial Convertible Note into the number of fully paid Shares subscribed for at the Share Subscription Price equal to the Note Face Value;
- (e) If Saint-Emilion Enterprises Pty Ltd converts an Initial Convertible Note in accordance with clause 7.2(d) above, for each Share issued to a noteholder upon a conversion, Saint-Emilion Enterprises Pty Ltd shall also be entitled to be issued:
  - i. one (1) Bonus Share in the Company, on the terms specified in Resolution 5 above; and
  - ii. one (1) Attaching Option to subscribe for Shares in the Company, on the terms specified in Resolution 6 above; and
  - iii. Saint-Emilion Enterprises Pty Ltd shall forego any interest payable by the Company on the Initial Convertible Note.
- (f) If the Company or Saint-Emilion Enterprises Pty Ltd has not converted an Initial Convertible Note prior to the Maturity Date, then upon the Maturity Date the Company must redeem the Initial Convertible Note for the Initial Convertible Note Face Value together with any accrued but unpaid interest thereon. If an Initial Convertible Note is redeemed in accordance with this clause 7.2(f), the Initial Convertible Note shall be taken to bear interest at an annual percentage rate of twelve per centum (12%), which will accrue until conversion.

For the terms of the Shares, Bonus Shares and Attaching Options which are proposed to be issued to Saint-Emilion Enterprises Pty Ltd, please refer to Resolution 8 below.

### **7.3: Voting exclusion statement**

The Company will exclude any votes cast on this resolution by:

- (g) Mr Quentin Olde;
- (h) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (i) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

#### *Recommendation of Board*

*The Board of Directors (excluding Mr Olde) unanimously recommend that Shareholders vote in favour of Resolution 7.*

## **RESOLUTION 8 – ISSUE OF SHARES, BONUS SHARES AND ATTACHING OPTIONS TO AN ASSOCIATE OF MR QUENTIN OLDE**

### **8.1: Background**

As discussed in Resolution 7 above, the Company has previously issued three (3) Initial Convertible Notes for a total face value of \$150,000 to Saint-Emilion Enterprises Pty Ltd, an associate of a non-executive director of the Company, Mr. Quentin Olde.

The Initial Convertible Notes issued to Saint-Emilion Enterprises Pty Ltd are included in the Initial Convertible Notes referred to in Resolution 3 above, and were issued on the Initial Note Terms, as varied by the Deeds of Variation, summarised at paragraph 3.1 above.

Therefore, the Company is now seeking Shareholder approval for the issue of Shares, Bonus Shares and Attaching Options to Saint-Emilion Enterprises Pty Ltd pursuant to ASX Listing Rule 10.11. The Company or Saint-Emilion Enterprises Pty Ltd may at any time during the Conversion Period, by way of full or partial redemption of the Initial Convertible Note, subject to any Shareholder approval if required, elect to convert an

Initial Convertible Note into the number of fully paid Shares subscribed for at the Share subscription price equal to the Notes Face Value, being 9,375,000 Shares.

If a party converts an Initial Convertible Note, for each Share issued to Saint-Emilion Enterprises Pty Ltd upon a conversion, Saint-Emilion Enterprises Pty Ltd shall also be entitled to be issued:

- (a) one (1) Bonus Share in the Company, on the terms specified in Resolution 5 above; and
- (b) one (1) Attaching Option to subscribe for Shares in the Company, on the terms specified in Resolution 6 above.

Upon a full conversion of the Initial Convertible Notes, Mr Quentin Olde would therefore have an indirect interest in the following number of Shares, Bonus Shares and Attaching Options:

Relevant Resolution	Recipient of Securities (and/or nominees)	Number of Shares Issued	Number of Bonus Shares Issued	Number of Attaching Options Issued
Resolution 3 - Ratification of variation to Initial Convertible Notes (previously approved by Shareholders)	Saint-Emilion Enterprises Pty Ltd	9,375,000	Nil	Nil
Resolution 5 - Issue of Bonus Shares to Noteholders	Saint-Emilion Enterprises Pty Ltd	Nil	9,375,000	Nil
Resolution 6 – Issue of Attaching Options to Noteholders	Saint-Emilion Enterprises Pty Ltd	Nil	Nil	9,375,000
<b>TOTAL:</b>	-	9,375,000 Shares	9,375,000 Bonus Shares	9,375,000 Attaching Options

The above Shares, Bonus Shares and Attaching Options are included in the Shares, Bonus Shares and Attaching Options which are the subjects of (respectively) Resolutions 3, 5 and 6, and are not additional shares or options.

The Shares, Bonus Shares and Attaching Options will be issued for the same consideration as the other Shares, Bonus Shares and Attaching Options which are the subjects of (respectively) Resolutions 3, 5 and 6.

The proposed re-election of Mr Olde as a director of the Company is the subject of Resolution 2.

#### *ASX Listing Rules*

Listing Rule 10.11 requires a company to obtain the approval of shareholders for issuing securities (including shares and options) to a related party of the Company. A related party can include a director of the Company or an entity controlled by a director, or a person or entity who or which is otherwise a related party of the Company.

Listing Rule 7.1 requires the prior approval of shareholders in General Meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the

commencement of the relevant 12 month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under Listing Rule 10.11. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1 and the Company retains its 15% annual placement capacity under 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:

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

The Company considers that the proposed issue of Shares, Bonus Shares and Attaching Options which are the subject of Resolution 8 will be on arm's length terms and, as such, falls within the exception set out in section 210 of the Corporations Act.

The Company has reached this view as the Shares, Bonus Shares and Attaching Options that are the subject of Resolution 8 are part of the Shares, Bonus Shares and Attaching Options that are the subject of Resolution 3, 5 and 6, and are to be issued to noteholders upon conversion of the Convertible Notes, the majority of noteholders not constituting related parties of the Company. The terms upon which the Shares, Bonus Shares and Attaching Options will be issued under Resolution 7 are the same as, and therefore no more favourable than, the terms upon which Shares, Bonus Shares and Attaching Options will be issued to unrelated noteholders.

The Listing Rules do not contain a similar exception. Therefore the Company is seeking approval under Listing Rule 10.11 notwithstanding the proposed issue being on arm's length terms.

#### **Technical information:**

Pursuant to and in accordance with Listing Rule 10.11, the following information is provided in relation to the issues of Shares, Bonus Shares and Attaching Options the subject of Resolution 8:

#### **8.2: The name of the person**

Saint-Emilion Enterprises Pty Ltd, a related party of Mr Quentin Olde, (and/or its nominee), will receive the Shares, Bonus Shares and Attaching Options.

#### **8.3: The maximum number of securities to be issued**

The maximum number of shares and options to be issued under Resolution 8 is 9,375,000 Shares, 9,375,000 Bonus Shares and 9,375,000 Attaching Options (as set out in the table at the commencement of this Section 8.1).

#### **8.4: The date of issue and allotment**

The Company has applied for a waiver of ASX Listing Rule 10.13.3 by ASX to permit the issue of the Shares, Bonus Shares and Attaching Options which are the subject of Resolution 7 later than 1 month after the date of this General Meeting. If such waiver is granted, the Shares, Bonus Shares and Attaching Options shall be issued upon conversion of the Initial Convertible Notes, which shall be no more than three (3) months after the date of the Annual General Meeting.

#### **8.5: Relationship between director and associate**

Saint-Emilion Enterprises Pty Ltd Pty Ltd is a company associated with a director of the Company, Mr Quentin Olde.

## 8.6: Issue price of securities and terms of issue

- The number of Initial Convertible Notes which have been issued to Saint-Emilion Enterprises Pty Ltd are three (3) Initial Convertible Notes, each with a Note Face Value of \$150,000 (total \$1,000,000), and convertible on a per note basis into a maximum of 3,125,000 Shares at an issue price of \$0.016 per Share.
- The maximum of 9,375,000 Bonus Shares issued to Saint-Emilion Enterprises Pty Ltd on conversion of the Initial Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares, and at a nil issue price.
- Subject to a waiver of Listing Rule 1.1, Condition 11 being granted, the 9,375,000 Attaching Options issued to Saint-Emilion Enterprises Pty Ltd upon conversion of the Initial Convertible Notes will entitle Saint-Emilion Enterprises Pty Ltd to acquire one (1) ordinary Share in the Company at the exercise price of \$0.02 per Share, and otherwise on the terms and conditions set out in Schedule 1. The Attaching Options will be issued for nil issue price. Funds received upon the exercise of the Attaching Options (if exercised) will be applied to the Company's then working capital requirements.

## 8.7: Intended use of funds raised

There will be no fresh funds raised by the variation of the Initial Convertible Notes issued to Saint-Emilion Enterprises Pty Ltd as they were originally issued in 2015. The funds raised at that time have primarily been used to pay out certain creditors and meeting the costs of the Wolfstrike Acquisition, with the balance used as working capital.

The Bonus Shares will be issued for nil issue price, and as such, no funds will be raised from the issue thereof.

The Attaching Options will be issued for nil issue price, and as such, no funds will be raised from the issue thereof.

A voting exclusion statement applies to this resolution under the Listing Rules.

## 8.8: Voting exclusion statement

The Company will exclude any votes cast on this resolution by:

- (a) Mr Quentin Olde;
- (b) a person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or
- (c) an associate of any of the above.

However, the Company need not disregard any vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it was cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

### *Recommendation of Board*

*The Board of Directors (excluding Mr Olde) unanimously recommend that Shareholders vote in favour of Resolution 8.*

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**SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS**

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**SCHEDULE**

Item 1: Terms of Options	<p>The options are issued in accordance with the following terms and conditions:</p> <ol style="list-style-type: none"><li>1. Each Option entitles the registered Option holder to acquire one (1) ordinary share in the Company at the exercise price of \$0.02 per share;</li><li>2. The Options may be exercised within twenty four (24) months after the date of Readmission of the Company on the Australian Securities Exchange.</li><li>3. The Options are exercisable by the registered option holder giving notice in writing to the Company, accompanied by payment of the exercise price for each share to be issued.</li><li>4. Options are transferable and will not be quoted on the ASX. If the Company's ordinary shares have been admitted to quotation by the ASX then the Company must apply to the ASX within ten (10) business days after the date of issue of any shares issued upon exercise of the Options, for such shares to be admitted to quotation.</li><li>5. All shares issued on the exercise of the Options will rank equally with all existing ordinary shares in the capital of the Company.</li><li>6. If, prior to the expiry of the Options, there is a reorganisation of the issued capital of the Company then the rights of an Option holder will be changed to the extent necessary in order to comply with the Listing Rules applying to a reorganisation of capital, as are applicable at the time of the reorganisation.</li><li>7. An Option holder may only participate in new issues of securities to holders of ordinary shares in the Company to the extent the Option has been exercised and the shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give reasonable notice to the Option holder of any new issue before the record date for determining entitlements to that issue in accordance with the Listing Rules.</li><li>8. If, after the vesting period of the Option but before the end of the Option period the Company gives holders of ordinary shares the right (pro rata with existing shareholdings) to subscribe for additional securities, the exercise price of an Option after the issue of those securities is adjusted in accordance with the following formula:</li></ol>
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	$O^1 = O - \frac{E [P - (S + D)]}{N + 1}$ <p>Where:</p> <p><math>O^1</math> = the new exercise price of the Option  <math>O</math> = the old exercise price of the Option  <math>E</math> = the number of underlying securities into which one Option is exercisable  <math>P</math> = the average market price per share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date  <math>S</math> = the subscription price for a security under the pro rata issue  <math>D</math> = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue)  <math>N</math> = the number of securities with rights or entitlements required to be held to receive a right to one new security</p> <p>9. If the Company makes a bonus issue of shares pro rata to holders of ordinary shares, the number of shares over which an Option is exercisable will be increased by the number of shares which the holder would have received if the Option had been exercised before the record date for the bonus issue.</p> <p>10. The parties agree that, in so far as the Listing Rules are applicable to the Options, the parties shall do all acts, matters and things necessary to comply with the Listing Rules in respect of the treatment of the Options and the rights of the Option holder.</p>
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## **GLOSSARY**

**\$** means Australian dollars

**Acquisition** means the Company's intended acquisition of:

- (a) the Wolfstrike Distributor Business;
- (b) the whole of the issued capital of Wolfstrike Distributors Pty Ltd (ACN 163 332 956);
- (c) the whole of the issued capital of Wolfstrike Rental Services Ltd (being a company incorporated in New Zealand, Company Number 4578439); and
- (d) the whole of the issued capital of Wolfstrike Distributors Ltd (being a company incorporated in New Zealand, Company Number 2140751).

**AEDST** means Eastern Daylight Standard Time as observed in Sydney, New South Wales.

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

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

**ASX** means ASX Limited or the ASX, as the context requires.

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

**Attaching Option** means the free attaching options to be issued to Noteholders upon conversion of the Convertible Notes, as described in the Explanatory Memorandum (Resolution 6);

**Board** means the current board of directors of the Company.

**Bonus Shares** means the free Shares to be issued to Noteholders upon conversion of the Convertible Notes, as described in the Explanatory Memorandum (Resolution 5);

**Business Days** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chairman** means the Chairman of the Meeting

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** means Wolfstrike Rentals Group Limited.

**Constitution** means the Company's constitution.

**Convertible Loan Agreement** means an agreement entered into between the Company and a Lender.

**Convertible Loan Note** means a convertible loan in the Company made pursuant to a Convertible Loan Agreement.

**Convertible Notes** means convertible notes in the Company, being:

- (a) the Convertible Loan Notes; and
- (b) the Initial Convertible Notes;

**Conversion Period** means, in relation to either the Convertible Loan Notes or the Initial Convertible Notes, any date following:

- (a) the Company receiving in-principle approval from the ASX for the Relisting of the Company (**In-Principle Approval**); and
- (b) all conditions attached to the In-Principle Approval being satisfied by the Company, save for any condition which would require conversion of either the Convertible Loan Notes or the Initial Convertible Notes (as relevant) into securities in the Company (**ASX Conditions**);

subject to the In-Principle Approval being received and the ASX Conditions being satisfied prior to the maturity date of 2 years from the date of the Convertible Loan Notes or the Initial Convertible Notes (as relevant).

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

**Director** means Non-Executive Directors.

**Explanatory Memorandum** means the Explanatory Memorandum accompanying the Notice of Meeting.

**Initial Convertible Notes** means the twenty (20) convertible notes of \$50,000 each (being a total of \$1,000,000) which may convert into up to 62,500,000 Shares paid to \$0.016 per Share, as approved at the March 2015 Extraordinary General Meeting;

**KMP** means Key Management Personnel;

**Lender** means a holder of a Convertible Loan Note;

**Listing Rules** means the listing rules of the ASX;

**Loan Note Face Value** means the face value of a Convertible Loan Note, being fifty thousand dollars (AUD50,000);

**March 2015 Extraordinary General Meeting** means the extraordinary general meeting of the Company held on 20 March 2015;

**Maturity Date** means the date two (2) years from the date of issue of a Convertible Loan;

**Noteholder** means a holder of a Convertible Note.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

**Readmission** means the admission of the Shares to official quotation by the ASX following re-compliance with the Listing Rules following their current suspension.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.

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

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

**Shareholder** means a holder of a Share.

**WolfStrike Acquisition** means the Company's intended acquisition of:

- (a) the whole of the issued capital of WolfStrike Distributors Pty Ltd ACN 163 332 956; and
- (b) the whole of the issued capital of WolfStrike Rental Services Limited (being a company incorporated in New Zealand No. 4578439 NZBN: 9429030112797); and
- (c) the whole of the issued capital of WolfStrike Distributors Limited (formerly EFTPOS Warehouse Limited) (Company number:2140751, NZBN 9429032702187).

**Wolfstrike Distributor Business** means the business carried on by Wolfstrike Distributors Ltd (being a company incorporated in New Zealand, Company Number 2140751).

**INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM**

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 11.00am (AEDST) on Friday, 26 February 2016.

1. **Appointing a Proxy:** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.

2. **Direction to Vote:** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.

Unless authorised by ASIC, if a member of KMP or their Closely Related Parties is appointed as a proxy, they are not permitted to vote undirected proxies on remuneration matters (arising directly or indirectly in connection with remuneration of KMP), related party benefit matters under Chapter 2E of the Corporations Act and any spill resolutions. However, the chair may vote a proxy that does not specify how it is to be voted, provided the member who has lodged the proxy has provided their consent in the proxy form for the chair to exercise the proxy in its discretion (save in relation to the remuneration report, where either a direction is required, or the member must specifically authorise the chair to exercise the proxy in the chair's discretion in relation to the remuneration report, pursuant to Section 250R(5) of the Corporations Act).

3. **New Sections 250BB and 250BC of the Corporations Act:** Sections 250BB and 250BC of the Corporations Act provide that

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

4. **Proxy vote if appointment specifies way to vote** Section 250BB (1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

**INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM**

5. **Transfer of non-chair proxy to chair in certain circumstances** Section 250BC of the Corporations Act provides that, if:
- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
  - the appointed proxy is not the chair of the meeting; and
  - at the meeting, a poll is duly demanded on the resolution; and
  - either of the following applies:
    - (i) the proxy is not recorded as attending the meeting;
    - (ii) the proxy does not vote on the resolution,
- the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.
6. **Signing Instructions:**
- **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided 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, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
7. **Attending the Meeting:** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
8. **Return of Proxy Form:** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
- post to PO Box 1592, Booragoon WA 6954;
- email to [eryn@kestelcorp8.com.au](mailto:eryn@kestelcorp8.com.au) or;
- facsimile to 08 9367 8812 (within Australia) and +61 8 9367 8812 (outside of Australia)
- so that it is received not later than 11.00am (AWST) on Friday, 26 February 2016. **Proxy Forms received later than this time will be invalid.**

**Member Details**

Name: .....

Address: .....

Contact Telephone No: .....

**Appointment of Proxy**

I/We being a Member/s of Wolfstrike Rentals Group Limited and entitled to attend and vote hereby appoint:

☐

Chairman of the Meeting    **OR**

Insert Name of Appointed Proxy Here

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Annual General 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 Annual General Meeting of Wolfstrike Rentals Group Limited to be held at Level 2, 22 Pitt Street, Sydney NSW 2000 on Tuesday, 1 March 2016, at 11.00am (AEDST) and at any adjournment of that meeting.

**Chairman authorised to exercise proxies on remuneration related matters:** If I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of Resolution 1 even though the Chairman is, and that item is connected directly or indirectly with the remuneration of, a member of KMP of Wolfstrike Rentals Group Limited, which includes the Chairman.

**Chairman to vote undirected proxies in favour:** I/we acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 2 to 8.

**Ordinary Resolutions**

		<b>For</b>	<b>Against</b>	<b>Abstain</b>
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Mr Quentin Olde as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Variation to Initial Convertible Notes (previously approved by Shareholders)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Shares to holders of Convertible Loan Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Bonus Shares to Noteholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Attaching Options to Noteholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Initial Convertible Notes to an associate of Mr Quentin Olde	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Shares, Bonus Shares and Attaching Options to an associate of Mr Quentin Olde	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please Note:** By marking the Abstain box for any of the Resolution 1 to 8 you are directing the proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

PLEASE SIGN HERE

**Individual or Member 1**

Sole Director and  
Sole Company Secretary

**Member 2**

Director

**Member 3**

Director/Company Secretary

**Wolfstrike Rentals Group Limited**  
**ACN 107 745 095**

**Corporate Representative Form**

**Shareholder Details**

This is to certify that by a resolution of the directors of:

\_\_\_\_\_ ACN \_\_\_\_\_  
(Insert Company Name)

\_\_\_\_\_  
(Insert Address)

The Company has appointed:

\_\_\_\_\_  
(Insert Name of Corporate Representative)

In accordance with the provisions of Section 250D of the Corporations Act to act as the Corporate Representative of the company to exercise all or any of the powers the company may exercise at the Annual General Meeting of shareholders of Wolfstrike Rentals Group Limited ACN 107 745 095 to be held on Tuesday, 1 March 2016 at 11.00am (AEDST) and at any adjournment or postponement of the Annual General Meeting, or any meeting arising from the Annual General Meeting.

Dated this       day of                      2016

**Wolfstrike Rentals Group Limited**  
**ACN 107 745 095**

**Corporate Representative Form**

Executed by

ACN  
in accordance with section 127 of the *Corporations Act*  
*2001*:

.....  
Director

.....  
Director/Secretary

.....  
Name of Authorised Representative

.....  
Signed by Authorised Representative

**Lodging your corporate representative form**

To be valid, your corporate representative form (and any power of attorney under which it is signed) must be received no later than 11.00am (AEDST) on Friday, 26 February 2016 at any one of the above addresses.