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**NOTICE OF ANNUAL GENERAL MEETING**

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NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting (AGM) of the members of **Aeris Environmental Ltd** (Aeris or the Company) will be held at the Company's offices at Level 1, Unit 5, 26-34 Dunning Avenue, Rosebery, Sydney on Thursday, 27 November 2014 commencing at 11:30am.

**ORDINARY BUSINESS****1. To Consider the Financial Report**

To consider the Reports of the Directors and Auditors, and the Financial Report for the year ended 30 June 2014.

**2. To Elect a Director – Mr Bernard Stang**

Mr Bernard Stang retires as a Director pursuant to the Company's Constitution and, being eligible, offers himself for re-election.

**3. To Adopt the Remuneration Report**

That the Company's Remuneration Report for the financial year ended 30 June 2014 be received, approved and adopted.

**4. To Hold a Spill Meeting**

Resolution 4 will be considered at the AGM only if 25% or more of the votes cast on Resolution 3 are against the adoption of the Remuneration Report. The Explanatory Notes further explain the circumstances in which Resolution 4 will be put to the Meeting. If the condition (described above) is satisfied, then this Resolution (4) will be put to the AGM to consider and, if thought fit, pass the following Resolution as an ordinary resolution:

That, as required by the Corporations Act:

- (a) a meeting of the Company's members be held within 90 days of the date of the 2014 AGM (the Spill Meeting);
- (b) each of Mr Maurie Stang, Mr Steven Kritzler and Mr Bernard Stang cease to hold office immediately before the end of the Spill Meeting; and
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.

This Resolution assumes that Mr Bernard Stang is re-elected at this AGM.

**SPECIAL BUSINESS****5. To Approve a Potential Placement**

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

That for the purposes of ASX Listing Rules 7.1 and 7.3, and for all other purposes, Shareholders approve and grant the Directors the authority to issue up to 17,000,000 fully paid ordinary Shares in the Company in a potential placement at an issue price of not less than 80% of the volume weighted average market price for Aeris Shares on the five trading days prior to the issue of the Shares, particularly to fund the expansion of the recently-acquired Smartcool energy efficiency business and its integration into, and the marketing of, the Aeris SmartENERGY platform, in accordance with the terms and conditions as set out in the attached Explanatory Notes.

**6. To Approve the Issue of Shares to a Former Director – Dr David Fisher**

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

That for the purposes of ASX Listing Rule 10.11, and for all other purposes, approval is hereby given for former Non-Executive Director, Dr David Fisher, to receive, for nil consideration, in lieu of Director's Fees for services for the period from 29 March 2013 to 31 July 2014, 140,000 Shares at \$0.179 per Share, as set out in the attached Explanatory Notes.

**7. To Approve the Employee Incentive Plan**

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

That pursuant to ASX Listing Rule 7.2 (exception 9), and for all other purposes, the Aeris Employee Incentive Plan, as set out in the Explanatory Notes, be approved.

**8. To Approve the Level of Non-Executive Directors' Fees**

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

That approval be and is hereby given for the aggregate maximum fees that may be paid by the Company to its Non-Executive Directors be set at \$300,000 per annum, as described in the Explanatory Notes attached to this Notice.

**9. To Approve the Authorisation under Section 195**

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

That for the purpose of section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve and authorise the Directors of the Company to complete the transactions as contemplated in Resolutions 7 and 8 of this Notice.

**10. To transact any other business brought forward in accordance with the Company's Constitution.**

Further information in relation to these Resolutions is set out in the attached Explanatory Notes.

Voting Exclusion Statements

The Company will disregard any votes cast on the following Resolutions by the following persons:

- Resolutions 3 and 4 – by or on behalf of any person who is a member of the Key Management Personnel or a closely-related party of any member of Key Management Personnel. The prohibition in the Corporations Act on members of the Company's Key Management Personnel voting does not apply to the Chairman of the Meeting as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the Meeting to vote.
- Resolution 5 – parties, as detailed in the Explanatory Notes, who may participate in the proposed placement, and a party who might obtain a benefit, except solely in the capacity of a holder of ordinary securities, and any associates of those parties.
- Resolution 6 – by the named former Director, being Dr David Fisher, and any of his associates, as provided for in ASX Listing Rule 10.11.
- Resolution 7 – by any Director, other than any Directors who are ineligible to participate in any Employee Incentive Plan in relation to the Company, and any associates of those Directors, as provided for in ASX Listing Rule 10.14.
- Resolutions 8 and 9 – by, or on behalf of, a person who is named in the relevant Resolution, being all Directors, or any associate of any Director, in accordance with section 224 of the Corporations Act.

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 if it is cast by the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

General

The Shares mentioned in Resolutions 5 and 6 rank equally in all respects with the existing fully paid ordinary Shares in the Company.

**Important Information Concerning Proxy Votes on Resolution 7**

The Corporations Act places certain restrictions on the ability of key management personnel and their closely-related parties to vote on resolutions connected directly or indirectly with the remuneration of the key management personnel. Their closely-related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. At the AGM, these laws will impact on Resolution 7.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than one of the Key Management Personnel, as such persons may not be able to vote undirected proxies. Shareholders are also encouraged to direct their proxy as to how to vote on all Resolutions. If you do not do so, you risk your vote not being cast.

Undirected proxies held by relevant Key Management Personnel or their closely-related parties will not be voted on Resolution 7. Similarly, undirected proxies held by the Chairman will not be voted on Resolution 7 unless you mark the box indicated on the Proxy Form. Marking this box will constitute an express authorisation by you directing the Chairman to vote your proxy in favour of Resolution 7 (unless you have exercised your right to direct the Chairman otherwise by marking the 'against' column in respect of one or all of the relevant Resolutions). This express authorisation acknowledges that the Chairman may vote your proxy even if he has an interest in the outcome of Resolution 7 and that votes cast by the Chairman for the Resolution, other than an authorised proxy holder, will be disregarded because of that interest.

## Definitions

**AGM** or **Annual General Meeting** mean the annual general meeting to be held at 11:30am on 27 November 2014 and notified to Shareholders by this Notice.

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

**ASX** means ASX Limited or the Australian Securities Exchange, as the context requires.

**Board** means the board of Directors.

**Chairman** means the chairman of the Board.

**Company** means Aeris Environmental Ltd (ABN 19 093 977 336).

**Constitution** means the constitution of the Company as amended from time to time.

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

**Director** means a director of the Company.

**Explanatory Notes** means the explanatory notes incorporated in this Notice.

**Key Management Personnel** has the same meaning given in the accounting standards. Broadly speaking this includes the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The 2014 Annual Financial Report identifies the key management personnel for the financial year ended 30 June 2014.

**Notice** means this notice, incorporating the Explanatory Notes.

**Option** means an entitlement to receive a Share subject to the satisfaction of any applicable Performance Conditions (including any vesting conditions) and payment of the applicable exercise price.

**Performance Conditions** means conditions that must be satisfied before a Performance Right or Option vests or is exercisable under the Plan.

**Performance Right** means an entitlement to a Share subject to the satisfaction of certain conditions (including the Performance Conditions).

**Plan** means the Aeris Employee Incentive Plan (**EIP**).

**Resolution** means a resolution set out in the Notice.

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

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

**PROXIES**

To be effective, Proxy Forms must be received by the Company at its registered office at least 48 hours before the time for holding the Meeting.

***Postal delivery and hand delivery:***

Level 1, Unit 5, 26-34 Dunning Avenue,  
Rosebery NSW 2018

***By facsimile:***

(02) 9697 0944

A member entitled to attend and vote is entitled to appoint not more than two persons as his/her proxy to attend and vote instead of the member. A proxy need not be a member of the Company.

If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.

Unless under Power of Attorney (which should have been noted by the Company), a Proxy Form by a corporation should be executed under its common seal or in accordance with the Corporations Act.

Dated at Rosebery this 17th day of October 2014.

**BY ORDER OF THE BOARD**

**Robert J Waring**  
Company Secretary

These Explanatory Notes set out information in connection with the business to be considered at the 2014 Aeris Environmental Ltd Annual General Meeting (AGM).

## **ORDINARY BUSINESS**

### **Resolution 1**

#### **To Consider the Financial Report**

This Resolution relates to the consideration of the Company's Financial Report for the year ended 30 June 2014, together with the related Directors' and Auditor's Reports, as required by the Corporations Act. Shareholders who elected to do so will have received a printed or email version of the Company's Annual Report, and a copy is available on the ASX and Company's websites. In accordance with Aeris' approach to corporate governance, Shareholders are being asked to vote on a Resolution to consider the Financial Report.

### **Resolution 2**

#### **To Elect a Director – Mr Bernard Stang**

Mr Bernard Stang was originally appointed a Director of the Company in July 2002. Under the Company's Constitution he retires by rotation, and being eligible, wishes to stand for re-election.

Mr Bernard Stang is a co-founder and the chairman of the Regional Health Care group of companies. He also chairs a number of private companies in the medical sector. Mr Bernard Stang manages a broad portfolio of investments in the private and listed sectors, and has over 34 years of operational experience in the leadership of successful healthcare businesses. He is the Chief Executive Officer of property development investment company Stangcorp Pty Ltd, which has been involved in various retail, commercial and industrial property transactions over the past 29 years. Mr Bernard Stang graduated from university with a Bachelor of Architecture, and gained significant large-scale project management and building experience prior to co-founding the Regional Health Care group of companies.

*Directors' recommendation:* The Directors (except Mr Bernard Stang) recommend that Shareholders vote in favour of Resolution 2.

### **Resolution 3**

#### **To Adopt the Remuneration Report**

The Remuneration Report is required to be considered for adoption in accordance with the Corporations Act. The Aeris Remuneration Report is contained in the Directors' Report in the Company's Annual Report.

The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting. Under the Corporations Act, if 25% or more of votes that are cast vote against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a spill resolution) that another meeting be held within 90 days at which all of the Company's directors (other than the managing director) must go up for re-election (refer to Resolution 4 for more information).

The Company encourages all Shareholders to cast their votes on Resolution 3.

In accordance with section 250R(4) of the Corporations Act, the Company will disregard votes cast on Resolution 3 by a member of the Company's Key Management Personnel whose remuneration details are included in the Remuneration Report, or a closely-related party of such a member, unless the vote is cast:

- (a) as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form; or
- (b) by the Chairman of the Meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 3 by marking either "For", "Against" or "Abstain" on the Proxy Form.

**Resolution 4****To Hold a Spill Meeting**

At the Company's 2013 AGM more than 25% of the votes were cast against the Remuneration Report. Therefore, in accordance with the Corporations Act, if more than 25% of the votes cast on Resolution 3 are voted against the adoption of the Remuneration Report at this AGM, the Company will be required to put to Shareholders a resolution at this AGM proposing the calling of a general meeting to consider the appointment of new directors of the Company. If more than 50% of shareholders vote in favour of this Resolution, the Company must convene a general meeting (Spill Meeting) within 90 days of the Company's 2014 AGM. All of the Directors who were in office when the Company's 2013 Directors' Report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will become Directors of the Company.

**SPECIAL BUSINESS****Resolution 5****To Approve a Potential Placement**

The Company outlined in its 2014 Annual Report, and in recent Quarterly Reports, the significant opportunities available, both locally and internationally, for its expanded and proprietary energy business (SmartENERGY). Aeris has pursued a dual strategy of cost management, while applying its constrained resources to current growth opportunities. The Directors now seek the flexibility to raise additional equity to fund the planned expansion of the business, with particular reference to its international expansion. Therefore the Company seeks Shareholder approval for the proposed issue of up to 17,000,000 Aeris Environmental Ltd fully paid ordinary Shares, at an issue price of not less than 80% of the volume weighted average market price for Aeris Shares calculated over the last five days on which sales in the Company's Shares are recorded before the day on which the issue is made. The purpose of this Resolution is to provide the Company with sufficient capacity to fund its proposed expenditure requirements by means of a placement of the Company's Shares.

At this stage the Company does not know how much capital will be raised, as it is dependent on the Share price at the time of any placement, if a placement proceeds at all. The quantum of capital raised will depend on investor interest and market factors at the time of the issue. Aeris proposes to make the placement to professional, sophisticated and other investors to whom disclosure under Part 6D.2 of the Corporations Act is not required, and has already had a number of preliminary discussions with a number of potentially-interested parties, including brokers. None of the investors pursuant to the proposed capital raising will be related parties of the Company.

ASX Listing Rule 7.1 provides that a company must not, without prior approval of Shareholders and subject to specified exceptions, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an Option), if the number of those securities exceeds 15% of the number of securities at the commencement of that 12-month period. The proposed issue is not in breach of ASX Listing Rule 7.1 and has not previously been approved by the Shareholders of the Company. Resolution 5 calls for Shareholder approval of the proposed issue pursuant to ASX Listing Rule 7.1. The effect of this Resolution will be to allow the Directors to issue Shares in the Company pursuant to the proposed capital raising during the period of three months after the date of the AGM, without using the Company's 15% annual placement capacity.

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the proposed capital raising, for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.1:

- (a) the maximum number of Shares to be issued is 17,000,000;
- (b) the Shares issued pursuant to this Resolution will be issued no later than three months after the date of the AGM and it is currently intended that allotment will occur on the same date or on two separate dates during this three-month period;
- (c) the issue price will be not less than 80% of the volume weighted average market price for Aeris Shares calculated over the last five days on which sales in the Company's Shares were recorded before the day on which the issue is made;
- (d) the Directors will determine to whom the Shares will be issued to, but these persons will not be related parties of the Company;

- (e) the Shares issued will be fully paid ordinary Shares in the capital of the Company and will rank equally, and be issued on the same terms and conditions as the Company's existing Shares;
- (f) the Company intends to use the funds raised from the proposed capital raising to raise funds for the further development and marketing of its products, to conduct further research and development activities, and to provide funds for administration, corporate costs and to provide working capital; and
- (g) a voting exclusion statement is included in the Notice of AGM.

## **Resolution 6**

### **To Approve the Issue of Shares to a Former Director – Dr David Fisher**

Resolution 6 is to consider the issue of 140,000 Shares to a Director as payment for Director's Fees. The Board has resolved that, subject to Shareholder approval, former Non-Executive Director Dr David Fisher's fees for the period from 29 March 2013 to 31 July 2014 will be paid through the issue of Shares. Accordingly, Dr David Fisher will receive a fee of \$25,000 at a fixed price of \$0.179. This price is the 10-day VWAP Share price calculated up until the date of this Notice, and this compares to a high of \$0.20 per Share and a low of \$0.15 per Share in the month leading up to the date of this Notice and the share price of \$0.17 at the date of this Notice. The Shares will be issued to Dr David Fisher within one month of the date of the AGM and no funds will be received from the issue of those Shares. The Shares issued will be fully paid ordinary Shares in the capital of the Company and will rank equally, and be issued on the same terms and conditions as the Company's existing Shares. If approval is given by Shareholders under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

## **Resolution 7**

### **To Approve the Employee Incentive Plan**

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its expanded capital in any 12-month period without requiring shareholder approval. ASX Listing Rule 7.1 does not apply in certain cases, as set out in ASX Listing Rule 7.2, including exception 9, where an issue under an employee incentive plan is made within three years before the date of issue that the terms of the plan are approved by shareholders. The terms and conditions of the AERIS Employee Incentive Plan were submitted to, and approved by, Shareholders at the Company's AGM held in November 2007, and the Plan is submitted for approval at this AGM. A copy of the full rules of the Plan, as summarised below, is available to Shareholders, free of charge, on request.

The last approval of shareholders was sought and obtained at the 17 November 2011 AGM for the proposed issue of 625,000 options to two Directors of the Company, being 375,000 options to Director Dr David Fisher and 250,000 options to Alternate Director Mr Peter Bush. These options were issued for no cash consideration. The options issued to Dr David Fisher had an exercise price of \$0.186 and the options issued to Mr Peter Bush had an exercise price of \$0.165. Both sets of options were issued on 16 December 2011 and both had an expiry date of 17 November 2016. The 250,000 options issued to Mr Peter Bush remain on issue.

## **PURPOSE OF THE PLAN**

The Company established the AERIS Employee Incentive Plan in 2007 to assist in the attraction, retention and motivation of employees, officers and contractors of the Company.

## **Eligibility**

The Plan is open to full-time or permanent part-time employees, officers and Directors of the Company or any related body corporate of the Company (Employees). Key terms of the Plan are summarised below.

## **Types of Awards**

Under this Plan the Company may issue any of the following (called Awards):

- Options to acquire Shares on terms set by the Company in its discretion;
- Performance Rights, which are rights to be issued Shares for nil exercise price upon the satisfaction of specified vesting conditions;
- Deferred Share Awards, which will generally be issued in lieu of salary, Directors' Fees, or other remuneration. Shares issued as Deferred Share Awards are subject to restrictions on disposal for up to 10 years; and
- Exempt Share Awards, which are Shares to an Employee for no cash consideration or at an issue price that is at a discount to market price with the intention that up to \$1,000 of the total discount received by the Employee will be exempt from tax. Shares issued as Exempt Share Awards are subject to restrictions on disposal for up to three years.

**Board Discretions**

The Board has broad discretions under the Plan, including as to the terms of issue of Awards (such as vesting conditions and performance hurdles) and the ability to waive or shorten restrictions on disposal.

**5% limit**

The total number of outstanding Awards, when added to the total number of Shares issued during the previous five years under both this Plan and any previous incentive plan (but excluding existing Shares that are purchased for an Employee instead of being issued), cannot exceed 5% of the Company's issued capital. In accordance with ASIC Class Order 03/184, the 5% limit does not include in the calculation any offers that would otherwise be exempt from the prospectus provisions of the Corporations Act.

**Takeovers**

In the event of a full takeover bid, scheme of arrangement, or similar transaction, restrictions on disposal will generally lapse so that Employees are able to accept the bid or participate in the transaction.

**Adjustment Terms**

Employees are not entitled to participate in a new issue of Shares or other securities made by the Company to holders of its Shares without exercising their Awards before the record date for the relevant issue.

If the Company makes a pro-rata bonus issue, and an Award is not exercised prior to the record date for that bonus issue, then, on exercise of the Award, the holder will receive the number of bonus Shares that would have been issued if the Award had been exercised prior to the record date.

If, prior to the exercise of an Award, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of issued Awards will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

**Resolution 8****To Approve the Level of Non-Executive Directors' Fees**

The Constitution of the Company provides that the Directors shall be paid out of the funds of the Company, by way of remuneration for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves and in default of agreement then in equal shares. The amount fixed by the Directors and approved by Shareholders prior to this Meeting was detailed in the Company's IPO Prospectus dated 8 July 2002 and was \$100,000. The Constitution of the Company also provides that the remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of such suggested increase shall have been given to the members in the notice convening the meeting.

The Directors of the Company propose that the aggregate maximum fee pool that may be paid by the Company to its Non-Executive Directors be increased by \$200,000 from \$100,000 per annum to \$300,000 per annum. The Company is actively looking to expand its Board and to attract Directors of the calibre required to effectively guide and monitor the expected growth of the business of the Company.

As the Non-Executive Directors have an interest in Resolution 8, they do not wish to make a recommendation as to how Shareholders should vote.

In accordance with ASX Listing Rule 10.17, the number of securities issued to Non-Executive Directors under rule 10.11 or 10.14 with the approval of the shareholders at any time within the preceding three years were 375,000 options issued to Dr Fisher with an exercise price of \$0.186 and the 250,000 options issued to Mr Bush with an exercise price of \$0.165. Both sets of options were issued on 16 December 2011 and both had an expiry date of 17 November 2016.

**Resolution 9****To Approve the Authorisation under Section 195**

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

The Directors of the Company have a material personal interest in the outcome of Resolutions 7 and 8. In the absence of Resolution 9, the Directors of the Company may not be able to form a quorum at a Directors' meeting necessary to carry out the terms of Resolutions 7 and 8. The Directors of the Company have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.



## PROXY FORM

### Return Proxy Form:

- by mail or hand delivery to: Level 1, Unit 5, 26-34 Dunning Avenue, Rosebery NSW 2018; or
- by facsimile to: (02) 9697 0944.

I/We

(full name in block letters)

of

(address)

being a shareholder of Aeris Environmental Ltd, hereby appoint:

(name)

(address)

or, failing that person:

(name)

(address)

or, failing that person, **the Chairman of the Meeting**, as my/our proxy/proxies to vote for me/us and on my/our behalf at the 2014 Annual General Meeting of the Company to be held at the Company's offices at Level 1, Unit 5, 26-34 Dunning Avenue, Rosebery, Sydney on Thursday, 27 November 2014 commencing at 11:30am and at any adjournment thereof.

### Proxy Voting Instructions

**If you do not wish to direct your proxy how to vote, please insert an X in the box.** ☐

By marking this box, you acknowledge that, if the Chairman is your proxy, the Chairman may exercise your proxy even if he has an interest in the outcome of the Resolution and votes cast by him, other than as proxy holder, will be disregarded because of that interest.

*If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.*

If the Chairman of the Meeting is voting as your proxy, he intends to vote any undirected proxies held on the item of business in favour of the Resolution on that item of business.

### Chairman authorised to exercise undirected proxies on remuneration-related Resolution

Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 3 (except where I/we have indicated a different voting intention below) even though Resolution 3 is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.

Signature of shareholder (companies to execute under seal if appropriate)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014

If you desire to direct your proxy/proxies how to vote, please insert an **X** in the appropriate box. If you do not direct your proxy/proxies, the proxy holder may vote as they think fit or may abstain from voting.

### BUSINESS

	For	Against	Abstain
Resolution 1 - To Consider the Financial Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - To Elect a Director – Mr Bernard Stang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Resolution 4 will only be put to the Meeting if at least 25% of the votes are against Resolution 3. The Directors unanimously recommend that you vote against Resolution 4 – refer to page 6 of the Explanatory Notes.</i>			
Resolution 4 - To Hold a Spill Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 - To Approve a Proposed Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 - To Approve the Issue of Shares to a Former Director – Dr David Fisher	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 - To Approve the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 - To Approve the Level of Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 - To Approve the Authorisation under Section 195	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>