

# VIENTO

## VIENTO GROUP LIMITED

ABN 79 000 714 054

### NOTICE OF 2013 ANNUAL GENERAL MEETING EXPLANATORY MEMORANDUM AND PROXY FORM

**DATE OF MEETING**

28 November 2013

**TIME OF MEETING**

3.00pm WST

**PLACE OF MEETING**

Culver Room  
Rendezvous Hotel Perth  
The Esplanade  
Scarborough, Western Australia

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

# NOTICE OF 2013 ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Annual General Meeting of Viento Group Limited ("**Company**") will be held at the Culver Room, Rendezvous Hotel Perth, The Esplanade, Scarborough, Western Australia on Thursday 28 November 2013 at 3.00pm WST ("**Meeting**").

The Explanatory Memorandum to this Notice of Annual General Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the proxy form are incorporated in and comprise part of this Notice.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

## **AGENDA**

### **1. FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the Financial Report, Directors' Report and the Auditor's Report for the year ended 30 June 2013.

(See the Explanatory Memorandum for information on to a Shareholder's right to submit written questions to the Auditor in connection with the Auditor's Report or the conduct of the audit.)

### **2. RESOLUTION 1 – ELECTION OF DIRECTOR – RAYMOND CAMPBELL MUNRO**

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

*"That for the purpose of Rule 13.5 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Raymond Campbell Munro, who was appointed as a Director in the course of the year (2 July 2013), retires, and being eligible is elected as a Director."*

(See the Explanatory Memorandum for information on Raymond Campbell Munro).

### **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SHANE MICHAEL HEFFERNAN**

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

*"That for the purpose of Rule 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Shane Michael Heffernan, being a Director who retires by rotation, and being eligible, is re-elected as a Director."*

(See the Explanatory Memorandum for information on Shane Michael Heffernan).

### **4. RESOLUTION 3 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO RAYMOND CAMPBELL MUNRO**

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

*"That pursuant to and in accordance with Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the shareholders approve and authorise the grant of 1,800,000 director options to Raymond Campbell Munro or his nominee on the terms and conditions set out in the Explanatory Memorandum.":*

(See the explanatory notes for information on this resolution).

## **VOTING EXCLUSION STATEMENT**

The Company will disregard any votes cast on this resolution by Raymond Campbell Munro and any associate of Raymond Campbell Munro. However, the Company need not disregard a vote if:

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

### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## **5. RESOLUTION 4 – RATIFICATION OF OPTION ISSUE TO ROBERT STEWART**

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

*“That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 416,666 Executive Options to Robert Stewart or his nominee on the terms and conditions set out in the Explanatory Memorandum.”*

### **Short Explanation**

The Company seeks Shareholder approval of the issue of Executive Options to Robert Stewart or his nominee pursuant to Listing Rule 7.4. (Refer to item 5 on page 13 for a detailed explanation of Listing Rule 7.4.)

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by Robert Stewart, or any Associate of Robert Stewart. However, the Company need not disregard a vote if:

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

**6. RESOLUTION 5 – RATIFICATION OF OPTION ISSUE TO STEPHEN WATKINS**

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

*“That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 416,666 Executive Options to Stephen Watkins or his nominee on the terms and conditions set out in the Explanatory Memorandum.”*

**Short Explanation**

The Company seeks Shareholder approval of the issue of Executive Options to Stephen Watkins or his nominee pursuant to Listing Rule 7.4. (Refer to item 5 on page 13 for a detailed explanation of Listing Rule 7.4.)

**Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by Stephen Watkins, or any Associate of Stephen Watkins. However, the Company need not disregard a vote if:

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

**7. RESOLUTION 6 – RATIFICATION OF OPTION ISSUE TO GARY CREDARO**

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

*“That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 300,000 Executive Options to Gary Credaro or his nominee on the terms and conditions set out in the Explanatory Memorandum.”*

**Short Explanation**

The Company seeks Shareholder approval of the issue of Executive Options to Gary Credaro or his nominee pursuant to Listing Rule 7.4. (Refer to item 5 on page 13 for a detailed explanation of Listing Rule 7.4.)

**Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by Gary Credaro, or any Associate of Gary Credaro. However, the Company need not disregard a vote if:

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

**8. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and if thought fit, to pass the following resolution as a special resolution:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution 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 and any associates of those persons. However, the Company will not disregard a 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, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## **9. RESOLUTION 8 – REMUNERATION REPORT**

To consider and, if thought fit, to pass the following Resolution as an **advisory only Resolution**:

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2013 is adopted.”*

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

### **Voting Prohibition Statement**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) A Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

(See the Explanatory Memorandum on the reasons for the Resolution on the Remuneration Report.)

### **TERMS**

Terms used in this Notice, including the resolutions set out in this Notice have, unless otherwise defined, the same meanings set out in the Glossary to the Explanatory Memorandum.

### **PROXIES**

1. A Shareholder who is unable to attend and vote at the Meeting may appoint a proxy by completing and returning the attached proxy form in the manner provided below. The proxy need not be a shareholder of the Company.

2. A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.
3. Forms to appoint proxies, and a power of attorney (if any) under which they are signed, must be lodged not less than 48 hours before the time of the Meeting as follows:
  - by hand:  
Viento Group Limited  
Level 1  
76 Hasler Road  
Osborne Park, WA 6017; or
  - by mail:  
Viento Group Limited  
PO Box 1099  
West Perth, WA 6872; or
  - by facsimile:  
+61 8 9443 9980
  - by email:  
[info@vientogroup.com](mailto:info@vientogroup.com)

Proxy forms must be returned by 3.00pm WST on Tuesday 26 November 2013 to be effective. **Proxy forms received later than this time will be invalid.**

Your proxy form is enclosed.

#### **CORPORATE REPRESENTATIVES**

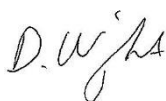
Any corporate Shareholder that has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the *Corporations Act* authorising them to act as that company's representative. The representative should bring to the Meeting evidence of their appointment, including any authority under which the appointment is signed.

#### **ATTENDANCE AND 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 Meeting are those persons who are registered Shareholders of the Company at 4.00pm WST on Tuesday 26 November 2013.

To vote in person, attend the Meeting on the date and at the place set out in this Notice of Meeting and Explanatory Memorandum.

#### **BY ORDER OF THE BOARD OF DIRECTORS**



**Damian Wright**  
**COMPANY SECRETARY**  
25 October 2013

**VIENTO GROUP LIMITED**  
**ACN 000 714 054**  
**EXPLANATORY MEMORANDUM**

**INTRODUCTION**

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

**ITEM 1: FINANCIAL STATEMENTS AND REPORTS**

The Corporations Act requires the Financial Report, Directors' Report and Auditor's Report for the last financial year to be laid before the Annual General Meeting.

No Resolution is required, but Shareholders will be given the opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

As required under section 250PA of the Corporations Act, at the Annual General Meeting, the Company will pass on any questions for the Auditor, received by the Company by 22 November 2013, provided the questions are relevant to the content of the Auditor's Report or the conduct of the audit of the Financial Report. Both reports will be considered at the Meeting. Every endeavour will be made to answer questions submitted by Shareholders, however, depending upon the number and types of questions received, it may not be possible to respond to every question, either at or after the Meeting.

To enable Shareholders who cannot attend the Meeting to raise issues and to assist the Board and the Auditor of the Company to respond to questions, please submit any questions in writing so that they are received by the Company no later than 22 November 2013.

The Company's 2013 Financial Report, Directors' Report and Auditor's Report is available on the Company's website at [www.vientogroup.com](http://www.vientogroup.com).

**ITEM 2: RESOLUTION 1 – ELECTION OF DIRECTOR – RAYMOND CAMPBELL MUNRO**

Pursuant to Rule 13.5 of the Constitution and Listing Rule 14.4, a Director appointed during the year must automatically retire at the next annual general meeting following their appointment. Directors so appointed are eligible for re-election.

Resolution 1 seeks approval for the election of Raymond Campbell Munro who was appointed as a Director of the Company since the last annual general meeting. Accordingly, Raymond Campbell Munro offers himself for election by Shareholders at this Meeting.

The qualifications and experience and other information about Raymond Campbell Munro are detailed below:

Ray has significant experience as a director and in company management with over 40 years in the engineering and resources sectors in Australia and South Africa. Ray is co-founder and former Executive Chairman of Calibre Group. Ray has been responsible for Project Directorship of a number of successful resource development projects, some of which include the largest iron ore projects in Australia. Prior to Calibre Group, Ray was previously senior construction manager with Sinclair Knight Merz for seven years and has over 30 years of management experience in construction.

Further information can be found in the Directors' Report which accompanies and forms part of the Company's Annual Report.

Having considered the performance of Mr Munro as a Director, and his skills, experience and knowledge, each Director other than Mr Munro recommends that Shareholders vote in favour of the Resolution to elect Raymond Campbell Munro as a Director.

### **ITEM 3: RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SHANE MICHAEL HEFFERNAN**

Pursuant to Rule 13.2 of the Company's Constitution and Listing Rule 14.4 one third of the Directors (or the number nearest one third) must retire at each annual general meeting and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. However, these requirements for a Director to retire do not apply to a Managing Director.

Resolution 2 seeks approval for the re-election of Shane Michael Heffernan, who is retiring by rotation under Rule 13.2 of the Company's Constitution and Listing Rule 14.4.

The qualifications and experience and other information about Shane Michael Heffernan are detailed below:

Shane has over 30 years' experience in real estate and property related professions. Formerly a Director of Raine & Horne Victoria (now Savills), he is currently Managing Director of real estate consultancy, Heffernan Property Group. Shane holds tertiary qualifications in Real Estate and Valuations. He is a Licensed Real Estate Agent (No. 003478L) and a Fellow of the Australian Property Institute.

Further information can be found in the Directors' Report which accompanies and forms part of the Company's Annual Report.

Having considered the performance of Mr Heffernan as a Director, and his skills, experience and knowledge, each Director other than Mr Heffernan recommends that Shareholders vote in favour of the Resolution to re-elect Shane Michael Heffernan as a Director.

### **ITEM 4: RESOLUTION 3 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO RAYMOND CAMPBELL MUNRO**

#### **Background**

Shareholders' approval is sought to grant 1,800,000 options to subscribe for ordinary shares in the Company to the Director, for nil consideration.

- A first tranche (Tranche 1) of 600,000 options with an exercise price of \$0.25 each vesting following shareholder approval and exercisable on or before 30 June 2015;
- A second tranche (Tranche 2) of 600,000 options with an exercise price of \$0.40 each vesting 1 July 2014 and exercisable on or before 30 June 2016; and
- A third tranche (Tranche 3) of 600,000 options with an exercise price of \$0.60 each vesting on 1 July 2015 and are exercisable on or after 30 June 2017

together Director Options.

All options will be unlisted.

#### **ASX Listing Rule 10.11**

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

As the issue of the Director Options involves the issue to a Related Party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the granted of Director Options to the Related Party.



### **Information Requirements under Listing Rule 10.11**

For the purposes of Listing Rule 10.13, the following information is provided to shareholders:

- (a) The Related Party is Mr Raymond Campbell Munro and he is a Related Party by virtue of being a Director;
- (b) the Director Options will be issued to Mr Raymond Campbell Munro or his nominee(s);
- (c) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to Mr Raymond Campbell Munro is 600,000 Tranche 1 Director Options, 600,000 Tranche 2 Director Options and 600,000 Tranche 3 Director Options;
- (d) the Director Options will be issued on a date which will be no later than 1 month after the date of this Meeting, or such later date as approved by ASX and it is anticipated that the Director Options will be issued on one date;
- (e) the Director Options will be issued for nil cash consideration;
- (f) the terms and conditions of the Director Options are set out in Annexure A to this Explanatory Memorandum; and
- (g) no funds will be raised by the issue of the Director Options.

If approval is given for the issue of the Director Options under Listing Rule 10.11 approval is not required under Listing Rule 7.1. Accordingly, the issue of the Director Options to Mr Munro will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

### **Corporations Act 2001 (Cth): Related Party Transactions**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Directors are considered to be a related party of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Resolution 3 provides for the grant of Options to Raymond Munro which constitutes a financial benefit to a Related Party and therefore requires shareholder approval.

## Information Requirements under Chapter 2E

### The Related Party

The 1,800,000 Director Options (the financial benefit) will be issued to Raymond Munro or his nominee(s) within 1 month of the passing of this Resolution as follows:

Name of Related Party	Number of Options
Raymond Campbell Munro	1,800,000

In the event that the Director Options are exercised, the following amounts will need to be paid to the Company:

Tranche 1	\$150,000
Tranche 2	\$240,000
Tranche 3	\$360,000
<b>Total</b>	<b>\$750,000</b>

### The Nature of the Financial Benefit

The proposed financial benefit to be given is the grant of Director Options for nil cash consideration. The terms and conditions of the Director Options are set out in Annexure A to this explanatory memorandum.

### Director's recommendation

Raymond Munro declines to make a recommendation about Resolution 3 as he has a material personal interest in the outcome of the resolution as it relates to the proposed issue of Director Options to him individually or his nominee.

Messrs Nichevich, Farrell, Silverthorne and Heffernan (who have no interest in the outcome of Resolution 3) recommend that Shareholders vote in favour of the Resolution because the grant of Director Options better aligns the interests of Raymond Munro with those of other Shareholders and provides them with an appropriate incentive for the future.

### Other information that is reasonably required by shareholders to make a decision and that is known to the Company or any of its Directors

- (i) The proposed Resolution 3 would have the effect of giving power to the Directors to issue a total of 1,800,000 Director Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above. The Company currently has the following securities on issue:

Type of Security	Number of Securities
Shares	79,929,572
Unlisted Options	13,286,664

(ii) Valuation of Director Options

An independent expert has valued the Director Options, using the Black & Scholes option valuation methodology. The valuation assumptions used by the independent expert are disclosed in the table below:

Variable	Input Tranche A	Input Tranche B	Input Tranche C
Grant Date	(on or around 28 November 2013)	(on or around 28 November 2013)	(on or around 28 November 2013)
Spot Price	\$0.295	\$0.295	\$0.295
Exercise Price – Tranche A	\$0.25	\$0.40	\$0.60
Risk Free Rate	2.70%	2.92%	3.36%
Volatility	70%	70%	70%
Vesting Date	(on or around 28 November 2013)	1 July 2014	1 July 2015
Maturity Date	30 June 2015	30 June 2016	30 June 2017
Unlisted Option Discount	20%	20%	20%

Based on the variables and assumptions it is estimated that the value of the Director Options is:

Tranche	Value of Each Director Option	Total Number of Director Options	Total Value of Director Options
1	\$0.0969	600,000	\$58,140
2	\$0.0854	600,000	\$51,240
3	\$0.0814	600,000	\$48,840
<b>TOTAL</b>			<b>\$158,220</b>

(iii) The grant of the Director Options is designed to encourage Directors' to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. Under the Company's current circumstances the Directors, other than Raymond Munro who has a personal interest in the outcome of Resolutions 3, consider that the incentive represented by the grant of the Director Options are a cost effective and efficient reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

Shareholders should note that for the reasons noted above, it is proposed to issue the Director Options set out in this Explanatory Memorandum to Raymond Campbell Munro Director, notwithstanding Box 8.2 "Guidelines for non-executive director remuneration" of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2010 Amendments which note that non-executive directors should not receive options.

The number of Director Options to be issued and the timing of each tranche has been determined based upon a consideration of:

- The remuneration – the Directors wish to ensure that the remuneration offered is competitive with comparable market rates. The Directors have considered the proposed number of Director Options to be issued will ensure that the Directors overall remuneration is in line with comparable market rates; and
- The issue of the Director Options as an incentive to ensure continuity of service and to provide them with an appropriate incentive for the future.

The Directors have determined the exercise prices in light of the current share price, applied a suitable premium whilst mindful of providing an appropriate incentive to Directors.

- (iv) Dilution of existing Shareholders' interests. If the Director Options are issued as proposed and exercised, the effect would be to dilute the shareholding of existing shareholders.

Current Holdings

Director	Shares	Options
Raymond Campbell Munro	4,000,000	nil

If all the Director Options proposed to be issued pursuant to Resolution 3 were exercised the effect would be to dilute the shareholding of the existing shareholders in the following amounts (assuming that no other Options are exercised):

- if 600,000 Tranche 1 Director Options are exercised after the Vesting Date (being on or around 28 November 2013), the shareholding of existing Shareholders would be diluted by an aggregate of 0.75%;
- if 600,000 Tranche 2 Director Options are exercised after the Vesting Date (1 July 2014), the shareholding of existing Shareholders would be diluted by an aggregate of 0.75% (assuming Tranche 1 Director Options are exercised); and
- if 600,000 Tranche 3 Director Options are exercised after the Vesting Date (1 July 2015), the shareholding of existing Shareholders would be diluted by an aggregate of 0.74% (assuming Tranche 1 and Tranche 2 Director Options are exercised).

- (v) Directors fee per annum (including superannuation) and the total financial benefit to be received by the Director in this current period as a result of the issue of the Director Options the subject of Resolution 3 are as follows:

Director	Base Fee p.a.	Value of Options*	Total Financial Benefit
Raymond Campbell Munro	\$100,000	\$158,220	\$258,220

Mr Munro was appointed on 2 July 2013 and therefore did not receive any remuneration in the year to 30 June 2013.

- (vi) The following table gives details of the highest, lowest and latest price of the Shares trading on ASX over the past 12 months ending on 14 October 2013:

Security	Highest Price (\$)	Date of Highest Price	Lowest Price (\$)	Date of Lowest Price	Latest Price on 14/10/2013 (\$)
Shares	0.47	07/03/2013	0.22	From 19/06/2013 to 26/06/2013	0.31

- (vii) Under the Australian Equivalent of IFRS, the Company is required to expense the value of Director Options in its income statement over the vesting period of the Director Options. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in issuing the Director Options pursuant to Resolution 3.

Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by proposed Resolution 3.

## **ITEM 5: RESOLUTIONS 4, 5 AND 6 – APPROVAL OF ISSUE OF EXECUTIVE OPTIONS**

### **Background**

- Resolution 4 seeks Shareholder approval of the issue of 416,666 Executive Options to Robert Stewart (Options A) or his nominee on the terms and conditions detailed in Annexure B.
- Resolution 5 seeks Shareholder approval of the issue of 416,666 Executive Options to Stephen Watkins (Options B) or his nominee on the terms and conditions detailed in Annexure B.
- Resolution 6 seeks Shareholder approval of the issue of 300,000 Executive Options to Gary Credaro (Options C) or his nominee on the terms and conditions detailed in Annexure B

These Resolutions are being put to a Shareholder vote in accordance with the requirements of Listing Rule 7.4.

Robert Stewart and Stephen Watkins are Project Managers of Viento Contracting Services Pty Ltd. Mr Stewart and Mr Watkins each own a 2.5% shareholding interest in Viento Contracting Services Pty Ltd. Mr Credaro is the company's Group Accountant.

### **Other Information**

ASX Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

The issue of Executive Options pursuant to Resolutions 4, 5 and 6 is within the Company's 15% limit; however, specific Shareholder approval is sought for Resolutions 4, 5 and 6 to enable the Company to have the ability to issue, in the future, its full 15% capacity as permitted under Listing Rule 7.1 should the need or opportunity arise.

### **Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolutions 4, 5 and 6 because the grant of Executive Options better align the interests of the executives with those of the Shareholders and provide them with an affordable incentive for the future.

#### Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (i) 416,666 Executive Options were issued to Robert Stewart, 416,666 Executive Options were issued to Stephen Watkins and 300,000 Executive Options were issued to Gary Credaro;
- (ii) the Executive Options were issued for nil cash consideration as remuneration as an incentive to ensure continuity of service and to provide Messrs Stewart, Watkins and Credaro with an appropriate incentive for the future;
- (iii) the Executive Options will be issued on the terms and conditions set out in Annexure B;
- (iv) the Executive Options were issued to Robert Stewart, Stephen Watkins and Gary Credaro, who are not related parties of the Company; and
- (v) no funds were raised from this issue as the Executive Options were issued as remuneration.

#### ITEM 6: RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

##### General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 7, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 7 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 7 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 7 for it to be passed.

##### ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (i) is not included in the S&P/ASX 300 Index; and
- (ii) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$24,800,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has eight classes of Equity Securities on issue, being 79,929,572 Shares (ASX Code: VIE) and seven classes of unquoted Options totalling 13,286,664.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (B) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (C) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - (D) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

#### **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 7:

(vi) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (A) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (B) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (A) above, the date on which the Equity Securities are issued.

(vii) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (A) 12 months after the date of this Meeting; and
- (B) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

(viii) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.155 50% decrease in Issue Price	0.31 Issue Price	0.62 100% increase in Issue Price
79,929,572  (Current Variable A)	Shares issued - 10% voting dilution	7,992,957	7,992,957	7,992,957
	Funds raised	\$ 1,238,908	\$ 2,477,817	\$ 4,955,633
119,894,358  (50% increase in Variable A)	Shares issued - 10% voting dilution	11,989,436	11,989,436	11,989,436
	Funds raised	\$ 1,858,363	\$ 3,716,725	\$ 7,433,450
159,859,144  (100% increase in Variable A)	Shares issued - 10% voting dilution	15,985,914	15,985,914	15,985,914
	Funds raised	\$ 2,477,817	\$ 4,955,633	\$ 9,911,267

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 79,929,572 Shares on issue comprising as at the date of this Notice of Meeting;
2. The issue price set out above is the closing price of the Shares on the ASX on 9 October 2013.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.



Shareholders should note that there is a risk that:

- i. the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- ii. the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(ix) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (A) as cash consideration in which case the Company intends to use funds raised for the acquisition of new assets, acquisitions and investments (including expenses associated with such an acquisition) and general working capital; or
- (B) as non-cash consideration for the acquisition of new assets, acquisitions and investments (including expenses associated with such an acquisition), in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(x) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (A) the purpose of the issue;
- (B) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (C) the effect of the issue of the Equity Securities on the control of the Company;
- (D) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (E) prevailing market conditions; and
- (F) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(xi) **Previous approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A.

(xii) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (A) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (B) the information required by Listing Rule 3.10.5A for release to the market.

**Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 7.

**ITEM 7: RESOLUTION 8 – ADOPTION OF REMUNERATION REPORT**

Section 298 of the Corporations Act requires that the annual Directors' Report contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

The Remuneration Report for the financial year ended 30 June 2013 is set out in Directors' Report section of the Company's Annual Report, which is available on the Company's web-site at [www.vientogroup.com/shareholder-centre/annual-reports/](http://www.vientogroup.com/shareholder-centre/annual-reports/).

By way of summary, the Remuneration Report:

- (a) discusses the Company's policy and the process for determining the remuneration of its executive officers and Directors;
- (b) addresses the relationship between the remuneration of the Company's executive officers and the performance of the Company; and
- (c) sets out remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2013.

Pursuant to section 250R(2) of the Corporations Act, listed companies must put a Resolution to their Shareholders that the Remuneration Report contained in the Annual Report be adopted.

Pursuant to section 250R(3) of the Corporations Act, Shareholders should note that the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

Under new reforms to the Corporations Act which apply to this year's AGM, if 25% or more of the votes cast on this Resolution are against adoption of the Remuneration Report, the Company will be required to consider, and report to Shareholders on, what action (if any) has been taken to address Shareholders' concerns at next year's annual general meeting. Depending on the outcome of next year's voting on the Company's Remuneration Report, Shareholders may be required to consider a spill resolution to call another general meeting in accordance with the Corporations Act at which the Directors who held office at the date of the Directors' Report (excluding the Managing Director) will be required to seek re-election.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, a spill resolution is not relevant for this Annual General Meeting.

Each Director recommends that Shareholders vote in favour of the Resolution to adopt the Remuneration Report for the year ended 30 June 2013. As stated in the Notice, each of the Company's KMP's whose remuneration is included in the Remuneration Report and closely related parties of those KMP's are not eligible to vote on this Resolution, except as stated in the Notice.

#### **Proxy voting restrictions**

Shareholders appointing a proxy for this Resolution should note the following:

**If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy you must direct your proxy how to vote** on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

**If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member) you do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.**

#### **If you appoint any other person as your proxy**

You do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

**The Chairman intends to vote all available proxies in favour of the adoption of the Remuneration Report.**

## GLOSSARY

<b>10% Placement Capacity</b>	has the meaning given in Item 5 of the Explanatory Statement
<b>Annual General Meeting or AGM</b>	means the Annual General Meeting of the Company to be held at 3.00pm WST on Thursday, 28 November 2013
<b>Associate</b>	has the meaning given to it by Section 12 of the Corporations Act
<b>ASX</b>	means ASX Limited (ABN 98 008 624 691)
<b>Auditor</b>	means Crowe Horwath being the Company's appointed auditor
<b>Auditor's Report</b>	means the report of the Auditor regarding its audit of the Company
<b>Board</b>	means the board of Directors of the Company
<b>Chairman</b>	means the individual acting as chairperson of the AGM
<b>Closely Related Party</b>	has the meaning given by section 9 of the Corporations Act
<b>Company or Viento Group</b>	means Viento Group Limited ABN 79 000 714 054
<b>Constitution</b>	means the constitution of the Company
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth)
<b>Directors</b>	means the directors of the Company
<b>Director Options</b>	mean the Options to be granted to a Director under Resolutions 3
<b>Directors' Report</b>	means the report of the Directors of the Company
<b>Eligible Entity</b>	means an entity that, at the date of the relevant general meeting: <ul style="list-style-type: none"><li>(a) is not included in the S&amp;P/ASX 300 Index; and</li><li>(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.</li></ul>
<b>Equity Securities</b>	includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security
<b>Executive</b>	means a member of Key Management Personnel
<b>Executive Option</b>	means an option to subscribe for one share in the Company
<b>Explanatory Memorandum</b>	means the explanatory notes accompanying the Notice prepared for the information of Shareholders in connection with the business to be transacted at the Annual General Meeting
<b>Financial Report</b>	means the annual financial report of the Company for the year ending 30 June 2013
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company,

or if the Company is part of a consolidated entity, of an entity within the consolidated group.

<b>Listing Rules</b>	means the ASX Listing Rules
<b>Meeting</b>	means the meeting convened by the Notice
<b>Notice</b>	means the notice of meeting which accompanies the Explanatory Memorandum
<b>Ordinary Securities</b>	has the meaning set out in the ASX Listing Rules
<b>Related Party</b>	has the meaning contained in section 228 of the Corporations Act
<b>Remuneration Report</b>	means the remuneration report of the Company that forms part of the Directors' Report
<b>Resolution</b>	means a resolution referred to in the Notice
<b>Share</b>	means a fully paid ordinary share in the capital of the Company
<b>Shareholder</b>	means a registered holder of one or more Shares
<b>Variable A</b>	means "A" as set out in the calculation in section [insert] of the Explanatory Statement
<b>WST</b>	means Australian Western Standard Time

## ANNEXURE A

### TERMS AND CONDITIONS OF DIRECTOR OPTIONS

1. Each Director Option will be granted for no consideration.
2. The Director Options have exercise price and vesting date as set out below:

Tranche	Exercise Price	Vesting Date	Expiry Date
A	\$0.25	Date of shareholder approval	30/06/2015
B	\$0.40	01/07/2014	30/06/2016
C	\$0.60	01/07/2015	30/06/2017

3. Each Director Option entitles the Option holder ("**Option Holder**") to subscribe for and be issued one fully paid ordinary share ("**Share**") in the capital of the Company at the exercise price for the Director Option.
4. The Director Options are exercisable on or after the relevant Exercise Date and prior to 24.00 AEST on the relevant Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Exercise Notice**") stating the intention of the Option Holder to exercise all or a specified number of Director Options held by it and payment of the Exercise Price to the Company in immediately available funds. A Director Option not exercised before the Expiry Date will lapse. The Exercise Notice must be received by the Company during the relevant Exercise Period. An exercise of only some Director Options shall not affect the rights of the Option holder to the balance of the Director Options held by it. The Director Options must be exercised in multiples of 1,000, unless the Option Holder exercises all Director Options able to be exercised at that time.
5. The Director Options may only be exercised during the relevant Exercise Period and if a Director ceases to be a Director before the Director Options are vested then the Director Options will be deemed to be cancelled.
6. If a Director ceases to be a Director after the vesting date of a Director Option then the Exercise Price must be paid within six (6) months of ceasing to be a Director or the Director Option will lapse.
7. The Director Options are not transferable and will not be listed for official quotation on the ASX.
8. The Company shall issue the Shares and deliver a statement of shareholdings with a holders' identification number within the time specified by the ASX Settlement Operating Rules.
9. Notwithstanding any other terms and conditions, all Director Options may be exercised:
  - (a) during a Bid Period;
  - (b) at any time after a Change in Control Event has occurred; or
  - (c) on an application under section 411 of the Corporations Act if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other Company.
10. All shares issued upon exercise of the Director Options will rank *pari passu* in all respects with the Company's then issued shares except for any rights attaching to the shares by reference to a record date prior to the date of their issue.
11. The Company will apply for official quotation by ASX of all shares issued upon exercise of the Director Options within the time specified by the ASX Listing Rules.

12. There are no participating rights or entitlements inherent in the Director Options and the Option Holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Director Options unless the Director Options are first exercised in accordance with these terms and conditions. However, the Company will ensure that for the purpose of determining entitlement to any such issue, the books closing date will be at least seven (7) business days after the issue is announced. This will give the Option Holder the opportunity to exercise the Director Options prior to the date for determining entitlements to participate in any such issue.
13. Subject to paragraph 13, if the Company makes a bonus share issue, a rights issue or any other similar issue of rights of entitlement, there will be no adjustment to the exercise price, the number of Shares per Director Option or any other terms of the Director Options.
14. In the event of any reorganisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the Expiry Date, the rights of the Option Holder including the number of Director Options or the exercise price of the Director Options or both will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
15. In these terms and conditions:

“**Bid Period**” in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in Section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder’s statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of the announcement;

“**Change of Control Event**” means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability and that ability is successfully exercised, in a general meeting, to replace all or a majority of the Board of the Company; and

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

## ANNEXURE B

### TERMS AND CONDITIONS OF EXECUTIVE OPTIONS

1. Each Executive Option will be granted for no consideration.
2. The Executive Options have exercise price and vesting date as set out below:

Options	Exercise Price	Vesting Date	Expiry Date
A	\$0.30	01.07.2013	30.06.2015
B	\$0.30	01.07.2014	30.06.2015
C - Tranche 1	\$0.25	01.07.2013	30.06.2015
C - Tranche 2	\$0.40	01.07.2014	30.06.2016
C - Tranche 3	\$0.60	01.07.2015	30.06.2017

3. Each Executive Option entitles the Option holder ("**Option Holder**") to subscribe for and be issued one fully paid ordinary share ("**Share**") in the capital of the Company at the exercise price for the Executive Option.
4. The Executive Options are exercisable on or after the relevant Vesting Date and prior to 5.00pm WST on the relevant Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Exercise Notice**") stating the intention of the Option Holder to exercise all or a specified number of Executive Options held by it and payment of the Exercise Price to the Company in immediately available funds. An Executive Option not exercised before the Expiry Date will lapse. The Exercise Notice must be received by the Company during the relevant Exercise Period. An exercise of only some Executive Options shall not affect the rights of the Option holder to the balance of the Executive Options held by it. The Executive Options must be exercised in multiples of 1,000, unless the Option Holder exercises all Executive Options able to be exercised at that time.
5. The Executive Options may only be exercised during the relevant Exercise Period and if an Executive ceases to be an Executive before the Executive Options are vested then the Executive Options will be deemed to be cancelled.
6. If an Executive ceases to be an Executive after the relevant Vesting Date of an Executive Option then the Exercise Price must be paid within three (3) months of ceasing to be an Executive or the Executive Option will lapse.
7. The Executive Options are not transferable and will not be listed for official quotation on the ASX.
8. The Company shall issue the Shares and deliver a statement of shareholdings with a holders' identification number within the time specified by the ASX Settlement Operating Rules.
9. Notwithstanding any other terms and conditions, all Executive Options may be exercised:
  - (a) during a Bid Period;
  - (b) at any time after a Change in Control Event has occurred; or
  - (c) on an application under section 411 of the Corporations Act if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other Company.
10. All shares issued upon exercise of the Executive Options will rank pari passu in all respects with the Company's then issued shares except for any rights attaching to the shares by reference to a record date prior to the date of their issue.



11. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Executive Options within the time specified by ASX Listing Rules.
12. There are no participating rights or entitlements inherent in the Executive Options and the Option Holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Executive Options unless the Executive Options are first exercised in accordance with these terms and conditions. However, the Company will ensure that for the purpose of determining entitlement to any such issue, the books closing date will be at least seven (7) business days after the issue is announced. This will give the Option Holder the opportunity to exercise the Executive Options prior to the date for determining entitlements to participate in any such issue.
13. Subject to paragraph 14, if the Company makes a bonus share issue, a rights issue or any other similar issue of rights of entitlement, there will be no adjustment to the exercise price, the number of Shares per Executive Option or any other terms of the Executive Options.
14. In the event of any reorganisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the Expiry Date, the rights of the Option Holder including the number of Executive Options or the exercise price of the Executive Options or both will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
15. In these terms and conditions:

**“Bid Period”** in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in Section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder’s statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of the announcement;

**“Change of Control Event”** means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability and that ability is successfully exercised, in a general meeting, to replace all or a majority of the Board of the Company; and

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

## PROXY FORM

COMPANY ADDRESS:  
PO Box 1099  
WEST PERTH WA 6872

SHARE REGISTRY:  
Security Transfer Registrars Pty Ltd  
All Correspondence to:  
PO BOX 535, APPECROSS WA 6953  
770 Canning Highway,  
APPECROSS WA 6153  
T: (08) 9315 2333  
F: (08) 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

«Holder\_Name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

HIN/SRN No.: «Number»

**STEP 1: Indicate How your Vote will be Cast (select one option only)**

1. Vote Directly

OR

2. Appoint a Proxy to Vote on Your Behalf. I/We hereby appoint:

Record my/our votes strictly in accordance with directions in **STEP 3**.

the Chairman of the Meeting

OR

**PLEASE NOTE:**

A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item. **GO TO STEP 3**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/ our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 3.00pm WST on Thursday 28 November 2013 at the Culver Room Rendezvous Hotel Perth, The Esplanade, Scarborough, Western Australia and at any adjournment of that meeting. **GO TO STEP 2**

**STEP 2: Important for Resolutions 3 and 8 - if the Chairman of the meeting is your proxy or is appointed as your proxy by default and you have not directed him how to vote on Resolutions 3 and 8 below, please mark the box in this section.**

If you do not mark this box and you have not directed your proxy how to vote on the resolutions, the Chairman will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called on the resolutions. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote on by either marking the relevant boxes in step 3 below, or by marking this box (in which case the Chairman will vote in favour of the resolutions). **The Chairman has advised that his intention is to vote in favour of each resolution.**

- I/We (except where I/we have indicated a different voting intention below):
- direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on resolutions 3 and 8;
  - expressly authorise that the Chair may exercise the proxy even though Resolutions 3 and 8 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
  - acknowledge that the Chairman of the Meeting may exercise the proxy even if the Chairman has an interest in the outcome of resolution 3 and that votes cast by the Chairman for resolution 3, other than as proxy holder, would be disregarded because of that interest.

**STEP 3: Voting Directions to Your Proxy**

Please mark with "X" in the box to indicate your voting directions:

Resolution	For	Against	Abstain*
1. Election of Director – Raymond Campbell Munro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director Shane Michael Heffernan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of Grant of Options to Raymond Campbell Munro <b>The Chairman of the Meeting intends to vote all available proxies in favour.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of options issued to Robert Stewart <b>The Chairman of the Meeting intends to vote all available proxies in favour.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of options issued to Stephen Watkins <b>The Chairman of the Meeting intends to vote all available proxies in favour.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of options issued to Gary Credaro <b>The Chairman of the Meeting intends to vote all available proxies in favour.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Remuneration Report <b>The Chairman of the Meeting intends to vote all available proxies in favour.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**Signature(s) required over page.**

Individual or Security Holder 1

Sole Director and Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director / Company Secretary

My/Our contact details in case of enquiries are:

Contact Name

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Contact Number

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## NOTES

### 1. Name and Address

This is the name and address on the Share Register of VIENTO GROUP LIMITED. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

### 2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark 'X' in the box in Step 1. If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

### 3. Directing your Proxy how to vote

To direct the Proxy how to vote place an 'X' in one of the boxes opposite each item of business in Step 3. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions. If you don't mark Step 3 your proxy may vote as he or she chooses. If you mark more than one box on an item your vote will be invalid.

### 4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy an additional proxy form may be obtained by telephoning the Company on 1 300 555 505 or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms together.

### 5. Signing Instructions

**Individual:** where the holding is in one name, the Shareholder must sign.

**Joint Holding:** where the holding is in more than one name all of the Shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney you must have already lodged this document with the Registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's Share Registry.

### 6. Lodgement of Proxy

This proxy form (and any power of attorney under which it is signed) must be received no later than 3.00pm WST on Tuesday 26 November 2013 being 48 hours before the time for holding the meeting. Any proxy form received after that time will not be valid for the scheduled meeting. Please lodge the proxy form with the Company; you are encouraged to submit your proxy. The addresses of Company are as follows:

By mail: Viento Group Limited  
PO Box 1099  
WEST PERTH WA 6872

By Hand: Viento Group Limited  
Level 1  
76 Hasler Road  
Osborne Park WA 6017

By Fax: + 61 8 9443 9980

By email: info@vientogroup.com