



Vmoto Limited
ABN 36 098 455 460

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
PROXY FORM

Date of Meeting

17 May 2013

Time of Meeting

10.00am (WST)

Place of Meeting

The Celtic Club
48 Ord Street
WEST PERTH WA 6005

YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT:

<http://www.vmotoltd.com/investors.asp?id=28>

Please read this Notice and Explanatory Statement carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders of Vmoto Limited ABN 36 098 455 460 (**Company**) is to be held on Friday 17 May 2013 at The Celtic Club, 48 Ord Street, West Perth, Western Australia, commencing at 10.00am (WST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

Terms and abbreviations used in this Notice of Annual General Meeting and accompanying Explanatory Statement are defined in the glossary to the Explanatory Statement.

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered at this meeting.

ORDINARY BUSINESS

Financial Statements – Six month period ended 31 December 2012

To receive and consider the annual financial report of the Company including the Directors' Report and the auditor's report for the 6 month period ended 31 December 2012.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

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

"To adopt the Remuneration Report as set out in the Annual Report."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

Voting Exclusion

The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter¹. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

Resolution 2 – Election of Director – Mr Simon Farrell

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

"That Mr Simon Farrell, having been appointed as an additional director of the Company on 29 January 2013, who ceases to hold office in accordance with clause

¹ "Restricted Voter" means Key Management Personnel and their Closely Related Parties as defined in the glossary.

13.4 of the Company's Constitution and, being eligible, and offers himself for election, be elected as a Director of the Company."

Resolution 3 – Election of Director – Mr Ivan Teo

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

"That Mr Ivan Teo, having been appointed as an additional director of the Company on 29 January 2013, who ceases to hold office in accordance with clause 13.4 of the Company's Constitution and, being eligible, and offers himself for election, be elected as a Director of the Company."

Resolution 4 – Re-Election of Director – Mr Kaijian Chen

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

"That, Mr Kaijian Chen, who retires in accordance with clause 13.2 of the Company's Constitution and, being eligible for re-election, be re-elected as a Director of the Company."

Resolution 5 – Issue of Incentive Options to Director – Mr Simon Farrell

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

"That, for the purposes of Listing Rule 10.11, section 208 of the Corporations Act and all other purposes, the Company approves and authorises the grant and issue of:

- (a) 5,000,000 Class E Options (each Option having an exercise price of \$0.04 and expiry date that is five years from the date of issue); and*
- (b) 5,000,000 Class F Options (each Option having an exercise price of \$0.08 and expiry date that is five years from the date of issue);*

to Mr Simon Farrell (or his nominee), being a non-executive Director, in the manner and on the terms and conditions set out in the Explanatory Statement (including Annexures A and B of the Explanatory Statement)."

Voting Exclusion

The Company will disregard any votes cast on Resolution 5 by Mr Simon Farrell and any associate of Mr Simon Farrell. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of Mr Simon Farrell or an associate of Mr Simon Farrell.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 5 is connected directly or indirectly with the remuneration of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

For the purpose of this voting exclusion statement "associate" shall have the meaning set out in sections 12 and 16 of the Corporations Act.

Resolution 6 - Ratification of issue of Shares and Listed Options

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

“That, for the purpose of Listing Rule 7.4 and all other purposes, the Company approves and ratifies the allotment and issue of 54,070,654 Shares (at an issue price of \$0.012 per Share) and 54,070,654 freely attached Listed Options, each exercisable at \$0.04 on or before 31 December 2014,(on the basis of one Listed Option issued for each Share subscribed for) to the parties and on the terms and conditions set out in the Explanatory Statement that forms part of this Notice, (including Annexure C to this Explanatory Statement).”

Voting Exclusion
The Company will disregard any votes cast on Resolution 6 by any of the persons who participated in the issue the subject of Resolution 6 and any person associated with those persons. However, the Company need not disregard a vote if the vote 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 the vote 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.
For the purpose of this voting exclusion statement “associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act.

Resolution 7 - Ratification of issue of Listed Options

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

“That, for the purpose of Listing Rule 7.4 and all other purposes, the Company approves and ratifies the allotment and issue of 5,725,385 Listed Options for nil consideration, each exercisable at \$0.04 on or before 31 December 2014, to the parties and on the terms and conditions set out in the Explanatory Statement that forms part of this Notice (including Annexure C to this Explanatory Statement).”

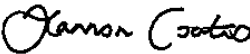
Voting Exclusion
The Company will disregard any votes cast on Resolution 7 by any of the persons who participated in the issue the subject of Resolution 7 and any person associated with those persons. However, the Company need not disregard a vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or the vote 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.
For the purpose of this voting exclusion statement “associate” shall have the meaning set out in sections 12 and 16 of the Corporations Act.

Other Business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

DATED THIS 27th DAY OF MARCH 2013

BY ORDER OF THE BOARD



Shannon Coates
Company Secretary

How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

Depository Interest holders in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf. In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a “**CREST Voting Instruction**”) must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company’s agent (3RA50) no later than 4:30pm (GMT) on 13 May 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company’s agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. Holders of Depository Interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the Depository Interest holder concerned to take (or, if the Depository Interest holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time. In this connection, Depository Interest holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company’s share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1 and 5 if the proxy is the Chair of the Meeting and the appointment expressly **authorises the Chair to exercise the proxy even if Resolution 1 and 5 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.**
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.
- To be effective, proxies must be lodged by 10am (WST) on 15 May 2013. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed proxy form in person to Suite 1, Ground Floor, 83 Havelock Street, West Perth, Western Australia 6005; or

- by faxing a completed proxy form to or by fax to (61 8) 9322 5230.

The proxy form must be signed by the shareholder or the shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10am (WST) on 15 May 2013. If facsimile transmission is used, the power of attorney must be certified.

Shareholders who are entitled to vote

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5pm (WST) on Wednesday 15 May 2013.

Voting

With respect to the voting exclusions that apply to Resolution 1 in the terms set out in the Notice of Meeting, the Directors and other Restricted Voters may not vote on these Resolutions and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

As all Directors are excluded from voting on this Resolution, no recommendation is made.

VMOTO LIMITED

ABN 36 098 45 460

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Vmoto Limited (**Company**).

The Directors recommend shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Certain terms and abbreviations used in this Explanatory Statement have defined meanings which are explained in the glossary appearing at the end of this Explanatory Statement.

ANNUAL REPORT - SIX MONTHS ENDED 31 DECEMBER 2012

As announced on 13 August 2012, the Company changed its financial year end to 31 December. As a result, the Annual Report put to shareholders at this Annual General Meeting reflect the 6 month period from 1 July 2012 to 31 December 2012.

The first item of the Notice of Annual General Meeting deals with the consolidated annual financial report of the Company for the six month period ended 31 December 2012 together with the Directors' declaration and report in relation to that six month period and the auditor's report on those annual financial statements.

Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 - REMUNERATION REPORT

The Directors' Report for the six month period ended 31 December 2012 contains a Remuneration Report which sets out the policy for the remuneration of the Directors and executives of the Company. In accordance with section 250R(2) of the Corporations Act the

Company is required to present to its shareholders the Remuneration Report as disclosed in the Company's 2012 Annual Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Annual Report and is also available on the Company's website at:

<http://www.vmotoltd.com/investors.asp?id=28>

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Annual General Meeting held on 17 May 2013, and then again at the 2014 AGM, the Company will be required to put a resolution to the 2014 Annual General Meeting, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (**spill meeting**) within 90 days of the 2014 Annual General Meeting. All of the Directors who are in office when the 2014 Directors' report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of Resolution 1.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 - ELECTION OF DIRECTOR - MR SIMON FARRELL

Clause 13.4 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Farrell was appointed to the Board on 29 January 2013 to act as Non-Executive Chairman. In accordance with clause 13.4 of the Constitution, Mr Farrell now seeks election as a Director at this Annual General Meeting.

Mr Farrell has over 30 years' experience in private and public corporate business especially in the mining industry at senior management and board level, principally in the areas of finance, marketing and general management. He was previously managing director of ASX and AIM listed Coal of Africa which he was responsible for growing to a market capitalisation of more than £1 billion. He holds a BCom degree from the University of Western Australia and an MBA from the Wharton School at the University of Pennsylvania. He is a Fellow of both the Australian Society of Accountants and the Australian Institute of Company Directors. Mr Farrell currently resides in London and has very strong relationships with brokers and fund managers in the UK.

Directors' Recommendation

The Board (other than Mr Farrell) recommends shareholders vote in favour of Resolution 2.

RESOLUTION 3 - ELECTION OF DIRECTOR - MR IVAN TEO

Clause 13.4 of the Constitution states that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Mr Teo was appointed to the Board on 29 January 2013 to act Finance Director. In accordance with clause 13.4 of the Constitution, Mr Teo now seeks re-election as a Director at this Annual General Meeting.

Based in Nanjing, China, Mr Teo holds a BCom from the University of Adelaide, is a Chartered Accountant and has experience in corporate finance.

Directors' Recommendation

The Board (other than Mr Teo) recommends shareholders vote in favour of Resolution 3.

RESOLUTION 4 - RE-ELECTION OF DIRECTOR - MR KAIJIAN CHEN

Mr Kaijian Chen retires by rotation in accordance with clause 13.2 of the Company's Constitution and, being eligible, offers himself for re-election.

Mr Chen has extensive experience in the motorcycle manufacturing industry in China. He was formerly vice president of Hainan Sundiro Motorcycle Co, which was the second largest motorcycle manufacturer in China at the time, and which was subsequently acquired by Honda in 2001. Mr Chen also served as vice president for Changzhou Supaiqi E-Vehicle Co, Ltd for 5 years. Currently Mr Chen is vice president of Xinri E-Vehicle Co, Ltd, which is one of the largest E-vehicle manufacturers in China at present. The annual production of Xinri in 2010 was over 2 million units of electric bicycles and scooters for the Chinese domestic market.

Directors' Recommendation

The Board (other than Mr Chen) recommends shareholders vote in favour of Resolution 4.

RESOLUTION 5 - GRANT OF INCENTIVE OPTIONS TO MR SIMON FARRELL

Background

The Company seeks Shareholder approval to issue a total of 10,000,000 Incentive Options to Non-Executive Chairman, Mr Simon Farrell (or his nominee), on the terms and conditions set out below and in Annexures A and B (as applicable) to this Explanatory Statement.

	Class E Options	Class F Options
Number of Options	5,000,000	5,000,000
Expiry Date	5 years from issue date	5 years from issue date
Exercise Price	\$0.04	\$0.08
Vesting Criteria	The Incentive Options will vest one year from the date of issue.	The Incentive Options will vest one year from the date of issue.

The grant of Incentive Options is designed to encourage Mr Farrell 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 consider (in the absence of Mr Farrell) that the incentives to Mr Farrell noted above, represented by the issue of these Incentive Options, are a cost effective and efficient means for the Company to provide a reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

Mr Farrell is a non-executive Chairman of the Company. The Company acknowledges that the issue of Incentive Options to non-executive directors is notwithstanding the guidelines contained in Box 8.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd Edition) which states that non-executive directors should not receive options. However the Directors are of the view that at this stage of the Company's development, it is far better for Directors of the Company to be compensated by way of securities in the Company, rather than by way of cash.

The number of Incentive Options to be issued to Mr Farrell has been determined based on a number of factors including:

- **Continuity of senior management** - Mr Farrell has complementary skills and has acquired substantial and extensive knowledge regarding the development of the Company. The retention of Mr Farrell as a member of the current Board with the skills and knowledge possessed by him will be critical to the successful development of the Company.
- **Alignment of interests** - The Directors consider that it is in the interests of Shareholders to align the interests of Directors and Shareholders by encouraging Directors, subject to appropriate milestones, to have an equity holding in the Company. However, the Directors consider that similarly to other Shareholders, this interest should arise through direct investment by the Directors in the Company. In

this regard, if all of the Incentive Options granted under Resolution 5 are exercised, the Company will receive \$600,000 from Mr Farrell.

1.1 Related Party Transactions Generally

(a) Chapter 2E of the Corporations Act

Under section 208 of the Corporations Act, a public company cannot give a “financial benefit” (including an issue of shares and options) to a “related party” of the Company, unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or shareholder approval is obtained prior to giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

Mr Farrell, as a Director, is a related party of the Company within the meaning specified under section 228 of the Corporations Act.

Accordingly, Shareholder approval is sought under section 208 of the Corporations Act to permit the issue of the Incentive Options on the terms set out in Resolution 5 to Mr Farrell as a related party of the Company.

Section 219 of the Corporations Act requires the following information be provided to the Shareholders in relation to Resolution 5 for approval to be granted for the purposes of section 208 of the Corporations Act:

Mr Farrell currently does not have a relevant interest in any of the Company’s securities.

- **Related parties to whom the proposed resolution would permit financial benefits**

Mr Simon Farrell or his nominee.

- **Nature of financial benefits**

If Resolution 5 is passed, Mr Farrell or his nominee will be granted the following Incentive Options:

	Class E Options	Class F Options
Number of Options	5,000,000	5,000,000
Expiry Date	5 years from issue date	5 years from issue date
Exercise Price	\$0.04	\$0.08
Vesting Criteria	One year from the date of issue.	One year from the date of issue.

Full terms and conditions of the above Incentive Options are set out in Annexures A and B (as applicable) of this Explanatory Statement.

The proposed financial benefit to be given is the grant of Incentive Options for no consideration to Mr Farrell as noted above.

- **Directors' recommendation or reasons for declining to make a recommendation**

Messrs Charles Chen, Olly Cairns, Kaijian Chen and Ivan Teo (who do not have any interest in Resolution 5) recommend that Shareholders approve the grant of Incentive Options under Resolution 5 to Mr Farrell (or his nominee) as they consider the grant of Incentive Options is:

- to incentivise Mr Farrell for the reasons and factors set out above;
- a fair and reasonable alternative to additional cash payment of Directors' fees;
- in consideration and recognition of the services provided or to be provided by Mr Farrell to the Company and the number of Incentive Options proposed to be issued is fair and reasonable and reflective of the contribution he has or will make to the Company; and
- necessary to reflect remuneration benefits to non-executive directors by companies operating in the Company's industry.

Mr Farrell declines to make a recommendation to Shareholders in respect of Resolution 5 as he has a material personal interest in the outcome of Resolution 5 as it relates to the proposed grant of Incentive Options to him or his nominee.

- **Directors' interests in outcome of resolution**

If approved, Resolution 5 would have the effect of giving power to the Directors to grant a total of 10,000,000 Incentive Options to Mr Farrell on the terms and conditions as set out in this Explanatory Statement, including Annexures A and B to this Explanatory Statement and as otherwise mentioned above.

- **Current Capital Structure**

At the date of this Explanatory Statement, the Company currently has on issue:

- 896,087,712 Shares;
- 145,392,230 Listed Options, exercisable at \$0.04s each on or before 31 December 2014;
- 3,241,527 unlisted Class D Options exercisable at \$0.09 each on or before 14 July 2013; and
- 8,500,000 unlisted ESOP Options exercisable at \$0.025 each on or before 1 September 2014;
- 11,500,000 ESOP Options exercisable at \$0.03 each on or before 23 November 2015;
- 6,000,000 Incentive Performance Rights convertible to Shares on or before 31 December 2013 (subject to performance based vesting conditions);
- 6,000,000 Incentive Performance Rights convertible to Shares on or before 31 December 2014 (subject to performance based vesting conditions);

- 8,000,000 Incentive Performance Rights convertible to Shares on or before 31 December 2015 (subject to performance based vesting conditions).

- **Current Remuneration**

Mr Farrell fees per annum (including superannuation) and the total financial benefit to be received by him in this current period as a result of the grant of the Incentive Options the subject of Resolution 5 is as follows:

Fees p.a. (\$)	Value of Incentive Options (\$)	Total Financial Benefit (\$)
\$21,900 ¹	\$136,500 ²	\$[insert]

1 Mr Farrell's fees per annum is £15,000. Mr Farrell's fees per annum in Australian dollars has been calculated on the basis of an exchange rate of £1 = \$1.46.

2 The indicative option valuation of \$0.01428 for Class E Options and \$0.01302 incentive for Class F Options is a theoretical valuation of each Incentive Option using Black and Scholes valuation methodology.

- **Dilution**

Mr Farrell's current interests (both direct and indirect) in the Company are outlined below:

Shares (VMT)	Listed Options	Unlisted Options	Incentive Performance Rights
Nil	Nil	Nil	Nil

If all of the Incentive Options granted to Mr Farrell (or his nominees) as proposed under Resolution 5 are exercised, the effect would be to dilute the shareholding of existing Shareholders by approximately 0.77% based on the number of Shares on issue as at the date of the Notice, assuming no other existing Options are exercised.

- **Exercise**

The market price of the Company's shares during the period of the Incentive Options will normally determine whether or not Option holders exercise the Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading on the ASX at a price which is higher than the exercise price of the Incentive Options.

- **Trading History**

At the date of this Explanatory Statement, the price of the Shares in the Company trading on the ASX was \$0.019. In the previous 12 months, the highest price of the shares in the Company trading on the ASX was \$0.038 which occurred on 4 October 2012 and the lowest price of the shares in the Company trading on the ASX was \$0.01 which occurred on 14 June 2012.

- **Opportunity costs to the Company**

The Directors do not consider that there are any opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolution 5.

- **Accounting**

The Company's adoption of Australian equivalents to International Financial Reporting Standards for reporting periods means that, under AASB2 Share-based Payment, equity-based compensation (such as the Incentive Options under Resolution 5) will be recognised as an expense in respect of the services received.

- **Value of the Incentive Options**

The Incentive Options under Resolution 5 are not to be quoted on the ASX and as such have no actual market value. At the date of this Explanatory Statement, the latest ASX price of the Shares to which the Incentive Options may be converted was \$0.019. The Incentive Options are capable of being converted to Shares by payment of \$0.04 and \$0.08 respectively. The Incentive Options may acquire future value dependent upon the extent, if any, by which the Shares exceed \$0.04 or \$0.08 (as applicable) during the term of the Incentive Options.

The Company engaged Stantons International Securities to prepare an independent valuation of the Incentive Options. The Incentive Options have been valued using the Black and Scholes option valuation methodology and using the following assumptions:

- the closing share price of the Company's Shares was \$0.018 (closing price as at 12 March 2013);
- the risk free rate used for the Incentive Options was 3.19% for the 5 year period until expiry of the Incentive Options;
- volatility is 128%, taking into account the four and twelve month high and low of the Company's share price, the volatility calculator and the general trend in most shares trading on the ASX over the past three and twelve months;
- the Incentive Options do not have any market based conditions therefore no discount is required;
- no discount has been applied as the Incentive Options are transferable; and
- no dividends are expected to be declared or paid by the Company during the term of the Incentive Options.

Accordingly, the total values of the Incentive Options to be issue to Mr Farrell are as follows:

Class E Options	Class F Options	Total
\$0.01428 each	\$0.01302 each	\$136,500

- **Other relevant information**

Neither the Directors nor the Company are award of other further information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolution 5.

(b) Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a “related party” without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX’s opinion, such that approval should be obtained. If approval is given for the grant of the Incentive Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1. Further, Listing Rule 7.2 (Exception 14) states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

Listing Rule 10.13 requires that the following information be provided to the Shareholders:

- **The name of the allottee of the securities**

Mr Simon Farrell or his nominee.

- **The maximum number of securities to be allotted and issued**

Class of Option	Class E Options	Class F Options
Number of Options	5,000,000	5,000,000

- **The date of allotment and issue of the securities**

The Incentive Options will be issued as soon as possible after the Annual General Meeting and in any event, no later than 1 month after the Annual General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules).

- **The issue price of the securities**

The Incentive Options will be granted for no consideration.

- **The terms of the securities**

The key terms of the Incentive Options to be issued under Resolution 5 are set out in the following table, and are set out in full in Annexures A and B to the Explanatory Statement.

Class of Option	Class E Options	Class F Options
Expiry Date	5 years from issue date	5 years from issue date
Exercise Price	\$0.04	\$0.08
Vesting Criteria	One year from the date of issue.	One year from the date of issue.

The Shares issued on the exercise of these Incentive Options are ordinary fully paid shares which rank equally with existing Shares on issue.

- **The intended use of the funds**

No funds will be raised from the issue of the Incentive Options under Resolution 5. The funds raised on exercise of these Incentive Options, if exercised, will be applied to working capital requirements of the Company at that stage. However there is no guarantee that any of these Options will be exercised.

RESOLUTION 6 - RATIFICATION OF ISSUE OF SHARES AND LISTED OPTIONS

Background

On 27 September 2012, the Company issued the following securities under a placement:

- 54,070,654 Shares at an issue price of \$0.12 per share (**Placement Share**); and
- 54,070,654 free attaching Listed Options, exercisable at 4 cents each on or before 31 December 2014
(together, the **Placement Securities**).

One free attaching Listed Option was issued for every Placement Share subscribed for.

The Placement Securities were issued to new and existing shareholders and raised a total of \$650,000 (before costs).

As disclosed in the Company's announcement on 27 September 2012, participants in the placement had indicated an interest to participate in the shortfall of the pro-rata non-renounceable rights issue completed on 5 June 2012, however for various reasons were unable to meet the required deadline date for placement of the shortfall. The Directors agreed to honour this support and commitment by issuing the Placement Securities on the same terms as the rights issue.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which

represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 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.

By ratifying the issue of the Placement Securities, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Securities:

- (a) 54,070,654 Placement Shares were allotted and issued at \$0.12 per share;
- (b) 54,070,654 free attaching Listed Options were granted for nil consideration;
- (c) the Placement Shares are fully paid ordinary shares in the capital of the Company and were be issued on the same terms and conditions as the Company's existing Shares;
- (d) the Listed Options were granted on the terms and conditions set out in Annexure C;
- (e) the Placement Securities were issued to new and existing shareholders which were non- related parties of the Company; and
- (f) the funds raised from the issue of the Placement Securities have and will be applied to fast track production lines for the Company's contract with PowerEagle and general working capital.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

RESOLUTION 7 -RATIFICATION OF PRIOR ISSUE OF LISTED OPTIONS

Background

As announced on 23 November 2012, the Company issued 5,725,385 Listed Options issued to the Company's professional advisers and their nominees in part consideration for the provision of professional services with respect to the Company's listing on AIM as disclosed in the Appendix to AIM Schedule One Announcement dated 12 November 2012. The Listed Options are exercisable at \$0.04 each on or before 31 December 2014 and otherwise on the terms and conditions set out in Annexure C.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 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.

By ratifying the issue of the Listed Options, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

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 issue of the Listed Options:

- (a) 5,725,385 Listed Options were granted for nil consideration;
- (b) the Listed Options were granted on the terms and conditions set out in Annexure C;
- (c) the Listed Options were issued to professional advisers of the Company who are not related parties of the Company; and
- (d) no funds were raised from the issue of the Listed Options as the Listed Options were issued as part consideration for services provided.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 7.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

"**2013 AGM**" means the annual general meeting of the Company convened by this Notice;

"**Accounting Standards**" has the meaning given to that term in the Corporations Act;

"**Annual General Meeting**" means the annual general meeting the subject of the Notice;

"**Annual Report**" means the annual report of the Company for the six month period ended 31 December 2012;

"**AIM**" means the AIM market operated by the London Stock Exchange plc;

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Board**" means the board of Directors;

"**Class E Options**" means the Options the terms of which are set out in Annexure A and which are not listed on the ASX or AIM.

"**Class F Options**" means the Options the terms of which are set out in Annexure B and which are not listed on the ASX or AIM.

"**Closely Related Party**" has the meaning given to that term in the Corporations Act;

"**Company**" means Vmoto Limited ABN 36 098 455 460;

"**Constitution**" means the constitution of the Company;

"**Corporations Act**" means the Corporations Act 2001 (Cth);

"**CREST**" means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations);

"**CREST Regulations**" means the Uncertificated Securities Regulations 2001 of the UK;

"**Depository Interests**" means the depository interests representing Shares which may be traded through CREST in uncertificated form;

"**Depository Interest holders**" means the holders of Depository Interests;

"**Director**" means a director of the Company;

"**Explanatory Statement**" means this Explanatory Statement accompanying this Notice;

"**Incentive Option**" means Class E Options and Class F Options.

"**Key Management Personnel**" has the meaning given to that term in the Accounting Standards;

"**Listed Options**" means Options exercisable at \$0.04 each on or before 31 December 2014, which are listed on the ASX; "**Listing Rules**" means the Listing Rules of the ASX;

"**Meeting**" means the annual general meeting the subject of this Notice;

"**Notice**" or "**Notice of Meeting**" means this notice of annual general meeting;

"**Option**" means an option to acquire a Share;

"**Resolution**" means a resolution the subject of the Notice;

"**Restricted Voter**" means Key Management Personnel and their Closely Related Parties;

"**Share**" means an ordinary fully paid share in the issued capital of the Company;

"**Shareholder**" means a shareholder of the Company;

"**Trading Day**" means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

"**WST**" means Australian Western Standard Time.

ANNEXURE A

TERMS AND CONDITIONS OF CLASS E OPTIONS

The terms and conditions of the Options are:

1. Each option shall be issued for no consideration.
2. Each option entitles the holder to subscribe for 1 ordinary share in Vmoto Limited ACN 098 455 460 upon the payment of \$0.04.
3. The options will vest one year from the date of issue;
4. The options will lapse at 5.00 pm, Western Standard Time, five years from the date of issue ("**Expiry Date**").
5. The options are transferable and will not be listed for official quotation on the ASX.
6. There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option.
7. However optionholders have the right to exercise their options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the options, and will be granted a period of at least 12 business days before books closing date to exercise the options.
8. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
9. The options shall be exercisable at any time during the period commencing on the date the Company's ordinary shares are admitted to quotation on Australian Stock Exchange Limited and ending on or before the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the optionholder to exercise all or a specified number of options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the shares. The Notice must be received by the Company during the Exercise Period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by him.
10. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the options.
11. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
12. There are no rights to change the exercise price or the number of underlying Shares.

ANNEXURE B

TERMS AND CONDITIONS OF CLASS F OPTIONS

The terms and conditions of the Options are:

1. Each option shall be issued for no consideration.
2. Each option entitles the holder to subscribe for 1 ordinary share in Vmoto Limited ACN 098 455 460 upon the payment of \$0.08.
3. The options will vest one year from the date of issue;
4. The options will lapse at 5.00 pm, Western Standard Time, five years from the date of issue ("**Expiry Date**").
5. The options are transferable and will not be listed for official quotation on the ASX.
6. There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option.
7. However optionholders have the right to exercise their options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the options, and will be granted a period of at least 12 business days before books closing date to exercise the options.
8. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
9. The options shall be exercisable at any time during the period commencing on the date the Company's ordinary shares are admitted to quotation on Australian Stock Exchange Limited and ending on or before the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the optionholder to exercise all or a specified number of options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the shares. The Notice must be received by the Company during the Exercise Period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by him.
10. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the options.
11. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
12. There are no rights to change the exercise price or the number of underlying Shares.

ANNEXURE C

TERMS AND CONDITIONS OF LISTED OPTIONS

1. Each New Option will entitle the holder to subscribe for a Share in the Company on the following terms: Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
2. The Options will expire at 5.00 pm AWST on 31 December 2014 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).
4. An Optionholder may exercise their Options in whole or part by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised; (**Exercise Notice**)
5. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
7. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
8. The Company will apply for quotation of the Options on ASX.
9. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
10. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
11. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.



ABN 36 098 455 460

Lodge your vote:



By Mail:

Vmoto Limited
Suite 1, Ground Floor
83 Havelock Street
West Perth WA 6005

Alternatively you can fax your form to:

(within Australia) 08 9322 5230
(outside Australia) +61 8 9322 5230

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

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Proxy Form

For your vote to be effective it must be received by 10.00am (WST) on Wednesday, 15 May 2013

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report:

www.vmotoltd.com

Update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

Your secure access information is: SRN/HIN:



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

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Vmoto Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Vmoto Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday 17 May 2013 at 10.00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: 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 1 and Resolution 5 (except where I/we have indicated a different voting intention below) even though Resolution 1 and Resolution 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: For Resolution 5 this express authority is also subject to you marking the box in the section below. If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 5 by marking the appropriate box in step 2 below.

Important for Resolution 5: If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Resolution 5 below, please mark the box in this section. If you do not mark this box and you have not otherwise directed your proxy how to vote on Resolution 5, the Chairman of the Meeting will not cast your votes on Resolution 5 and your votes will not be counted in computing the required majority if a poll is called on Resolution 5. The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

I/We acknowledge that the Chairman of the Meeting may exercise my/our proxy even if the Chairman has an interest in the outcome of Resolution 5 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Non Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Director – Mr Simon Farrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Election of Director – Mr Ivan Teo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Re-Election of Director – Mr Kaijian Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Issue of Incentive Options to Director – Mr Simon Farrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of issue of Shares and Listed Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Ratification of issue of Listed Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /