



Emefcy Group Limited (ASX: EMC) Notice of 2016 Annual General Meeting

April 15, 2016

The 2016 Annual General Meeting of Emefcy Group Limited shareholders will be held at 4.00pm (AEST) on Wednesday 18 May 2016 at Giorgios Function Room, 1235 High Street, Armadale Victoria Australia.

The Notice of Annual General Meeting and a sample Proxy Form are attached as distributed to shareholders today.

For further information, please contact:

Ross Kennedy, Company Secretary and Advisor to the Board
E: rossk@emefcygroup.com T: +61 409 524 442

About Emefcy Group Limited (ASX: EMC)

Emefcy offers a commercially-proven wastewater treatment solution potentially disrupting large existing markets and addressing the growing global need for clean water. Its initial technology, SABRE – The Spiral Aerobic Biofilm Reactor is a modular decentralised wastewater treatment solution using 90% less energy than conventional technology. Future generation SABRE2 and SUBRE are higher capacity solutions being developed for broader markets. Emefcy's future technology under development, EBR - The Electrogenic Bioreactor is designed to harvest electricity from highly-loaded industrial wastewater that is typically very costly to treat. The energy's value has the potential to completely offset other treatment operating costs.

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Emefcy Group Limited

ABN: 52 127 734 196

www.emefcygroup.com

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EMEFCY GROUP LIMITED (ACN 127 734 196)

NOTICE OF ANNUAL GENERAL MEETING

TIME: 4.00 pm (AEST)

DATE: Wednesday, 18 May 2016

PLACE: Giorgios Function Room
1235 High Street
Armadale VIC 3143

This Notice of Annual General Meeting (together with the accompanying 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 professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Annual General Meeting, please do not hesitate to contact the Company on +61 3 9824 5254.



13 April 2016

Dear Shareholder

I am writing to you at an exciting time in the Company's development.

The combination of Savcor Group Limited and Emefcy Limited Israel was successfully completed on 18 December 2015. Renamed Emefcy Group Limited, the Company re-listed on the Australian Securities Exchange (ASX) on 23 December 2015 following completion of a successful capital raising program which issued new shares at A\$0.20 each. I am pleased to report that post listing the share price has continued to perform well with the Company's plans either on, or ahead of, schedule.

The quality of the Company's SABRE wastewater treatment technology and significant commercial opportunities that continue to unfold are we believe contributing to the recent strength in the share price.

SABRE - innovative and cost efficient wastewater treatment technology

Emefcy today offers a commercially-proven wastewater treatment solution potentially disrupting large existing markets and addressing the growing global need for clean water. Its initial technology, SABRE – The Spiral Aerobic Biofilm Reactor is a modular decentralised wastewater treatment solution using 90% less energy than conventional technology.

Future generation SABRE2 and SUBRE are higher capacity solutions being developed for broader markets. Emefcy's future technology under development, EBR - The Electrogenic Bioreactor is being designed to harvest electricity from highly-loaded industrial wastewater that is typically very costly to treat. The energy's value has the potential to completely offset other treatment operating costs.

The Board has been reinvigorated with the appointment of a blend of experienced technology venture capitalists, industry experts and capital market advisers. Management has also been strengthened with a number of significant appointments and further appointments are anticipated.

Key achievements to date in the current year include:

- Delivery of all SABRE modules to the first commercial customer "Ha-Yogev Municipality" in Israel – an important reference site for municipal customers and users of water for agricultural purposes. In addition to generating commercial revenues, this triggered the achievement of the first milestone for the Vendor Shareholders.
- Identification of significant market opportunities in China – the selection of the right partners and business structures will be very important. We aim to complete these by the end of 2016.
- Development of Water as a Service business model, recognising that with the right financing partner recurring revenues from the sale of treated water can substantially leverage Company returns relative to a capital sale.
- Upgrading Israel production facilities to allow for production of the larger scale SABRE 2 modules once testing and pre-commercialisation work is completed
- Continuing and on-going research and development, as well as comprehensive intellectual property protection programs

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- Further strengthening the Board and management with appropriate skills in production, business strategy and entering international markets.

In summary, the Company is well placed to commercialise the SABRE technology internationally, potentially disrupting large existing markets:

- **World class founders & investors** with sector expertise, a proven track record of over \$2B capital raised and a combined \$7B in shareholder value created
- **First commercial pilot in operation for over 18 months** with proven in-field product reliability
- **A strong pipeline of 44 projects.** Six major regions covering most use cases, some needing a solution in 2016
- **We bring unique advantages to an A\$8B addressable market** within the A\$263B wastewater products and services space
- **Strong economic incentive & value proposition for the customer**
- **Successful ASX fundraise of A\$13.8M joins blue chip investor base** (A\$21M invested by GE Ventures, Pond Ventures, IC V, Plan B Ventures)
- **First commercial project** deployed
- **Production facilities to support A\$25M** capacity in place
- **Strong arbitrage proposition enables recurring revenue by selling water**
- **Technology platform backed by strong IP base** provides pipeline of products for broad markets and geographies

Finally, I wish to thank my fellow Directors and especially Mr Eytan Levy, Managing Director & CEO and the dedicated workforce for successfully navigating the corporate changes during the past year, and for positioning the Company for the commencement of sales of the SABRE products to global markets.

On behalf of the Board, I would like to thank-you for your investment in, and support of, Emefcy. We look forward to providing you with further updates and to meeting you at the Annual General Meeting or at one of our several investor roadshows scheduled for 2016.

Yours sincerely

Richard Irving
Executive Chairman

**NOTICE OF ANNUAL GENERAL MEETING
EMEFCY GROUP LIMITED (ACN 127 734 196)**

Notice is hereby given that the 2016 Annual General Meeting (**Meeting** or **AGM**) of Emefcy Group Limited (ACN 127 734 196) (**Company**) will be held at 4.00 pm (AEST) on Wednesday, 18 May 2016 at Giorgios Function Room, 1235 High Street, Armadale VIC 3143.

Each of the resolutions proposed to be put to Shareholders at the Meeting are set out in this Notice of Annual General Meeting (**Notice**) and further details regarding those resolutions are set out in the Explanatory Memorandum accompanying this Notice. The Explanatory Memorandum and Proxy Form accompanying this Notice are incorporated into, and form part of, this Notice. Terms defined in the Glossary at the end of the Explanatory Memorandum have the same meanings when used in this Notice.

ITEM 1: FINANCIAL REPORTS

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor for the financial year ended 31 December 2015.

ITEM 2: PROPOSED RESOLUTIONS

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

“That the Remuneration Report for the financial year ended 31 December 2015 as set out in pages 21 to 36 (inclusive) of the Annual Report be adopted.”

NOTE: The voting on this resolution is advisory only and does not bind the Company or the Directors. Also, a voting exclusion statement applies to this resolution. Please see the “Important Information” section below for further details.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR PETER MARKS

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

“That Mr Peter Marks, being a Director of the Company who retires in accordance with clause 6.1(f)(i)(A) of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”

RESOLUTION 3: RE-ELECTION OF DIRECTOR – MR ROBERT WALE

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

“That Mr Robert Wale, being a Director of the Company who retires in accordance with clause 6.1(e) of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”

RESOLUTION 4: APPOINTMENT OF BDO EAST COAST PARTNERSHIP AS AUDITOR

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

“That BDO East Coast Partnership, having been appointed by the Board to act as auditor of

the Company and who holds office until the Meeting, be appointed as auditor of the Company.”

RESOLUTION 5: APPROVAL OF ISSUE OF OPTIONS TO MR EYTAN LEVY

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue to Mr Eytan Levy (or his nominee/s) of 2,000,000 Options on the terms and conditions set out in the Explanatory Memorandum be approved.”

Note: A voting exclusion statement applies to this resolution. Please see the “Important Information” section below for further details.

RESOLUTIONS 6A-6B: RATIFICATION AND APPROVAL OF PREVIOUS ISSUES OF OPTIONS

RESOLUTION 6A: RATIFICATION AND APPROVAL OF PREVIOUS ISSUE OF OPTIONS TO MR ROBERT WALE

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue to Mr Robert Wale of 500,000 Options issued on 13 April 2016 as described in the Explanatory Memorandum be ratified and approved.”

Note: A voting exclusion statement applies to this resolution. Please see the “Important Information” section below for further details.

RESOLUTION 6B: RATIFICATION AND APPROVAL OF PREVIOUS ISSUE OF OPTIONS TO ADVISOR

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue to an advisor of 4,000,000 Options issued on 18 March 2016 as described in the Explanatory Memorandum be ratified and approved.”

Note: A voting exclusion statement applies to this resolution. Please see the “Important Information” section below for further details.

RESOLUTION 7: ADOPTION OF NEW CONSTITUTION

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

“That for the purposes of sections 136(2) and 648G of the Corporations Act 2001 (Cth) and for all other purposes, the existing Constitution of the Company be repealed in whole and replaced by a new Constitution which will be tabled at the Meeting.”

Note: This is a special resolution and for it to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of Shares) must be in favour of the resolution.

RESOLUTION 8: APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

“That for the purposes of ASX 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 ASX Listing Rule 7.1A and on the terms and conditions set out in the Explanatory Memorandum.”

Note: This is a special resolution and for it to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of Shares) must be in favour of the resolution. Also, a voting exclusion statement applies to this resolution. Please see the “Important Information” section below for further details.

Dated: 13 April 2016

By Order of the Board

Richard Irving
Executive Chairman

IMPORTANT INFORMATION

VOTING EXCLUSION STATEMENT

Resolution 1: Adoption of Remuneration Report

The Company will disregard any votes cast (in any capacity) on this resolution by or on behalf of a member of the Company's key management personnel (**KMP**), whose remuneration details are included in the Remuneration Report, or any of their Closely Related Parties. However, the Company need not disregard a vote on this resolution if it is cast as a proxy for a person who is entitled to vote on the resolution in accordance with a direction on the Proxy Form, or it is cast by the Chairman of the Meeting as a proxy for a person who is entitled to vote and the appointment of the Chairman as proxy does not specify the way the proxy is to vote and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 5: Approval of Issue of Options to Mr Eytan Levy

The Company will disregard any votes cast on this resolution by Mr Eytan Levy or any of his associates. However, the Company need not disregard a vote on this resolution if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the Chairman of 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.

Resolutions 6A-6B: Ratification and Approval of Previous Issues of Options

The Company will disregard any votes cast on these resolutions by Mr Robert Wale in the case of Resolution 6A or EAS Advisors, LLC in the case of Resolution 6B, or any of their respective associates. However, the Company need not disregard a vote on these resolutions if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the Chairman of 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.

Resolution 8: Approval of Additional 10% Placement Capacity

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of such persons. However, the Company need not disregard a vote on this resolution if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the Chairman of 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.

PROXY INSTRUCTIONS

A Shareholder who is entitled to vote at the Meeting may appoint:

- one proxy if the Shareholder is only entitled to one vote; and
- one or two proxies if the Shareholder is entitled to more than one vote.

Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes (in which case any fraction of votes will be disregarded).

A Proxy Form is attached to this Notice.

Completed Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) must be received by the Company's share registry, Boardroom Pty Limited, no less than 48 hours before the time of commencement of the Meeting by the means outlined below.

The Proxy Form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a body corporate, in accordance with section 127 of the Corporations Act. A proxy given by a foreign body corporate must be executed in accordance with the laws of that body corporate's place of incorporation.

The proxy may, but need not, be a Shareholder of the Company.

If you sign the Proxy Form and do not appoint a proxy, you will have appointed the Chairman of the Meeting as your proxy.

Completed Proxy Forms may be lodged using the enclosed reply paid envelope or:

Online www.votingonline.com.au/emefcyagm2016

By Fax +61 2 9290 9655

By Mail Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

In Person Level 12, 225 George Street,
Sydney NSW 2000 Australia

Completed Proxy Forms (and any necessary supporting documents) must be received by Boardroom Pty Limited no later than 4.00 pm (AEST) on Monday, 16 May 2016. Proxy Forms received after that time will not be valid.

Further instructions on completing and lodging the Proxy Form are set out in the attached Proxy Form.

HOW THE CHAIRMAN WILL VOTE UNDIRECTED PROXIES

Subject to any restrictions set out in this Notice or the Proxy Form, the Chairman of the meeting intends to vote all undirected proxies in favour of all resolutions.

If you appoint the Chairman of the Meeting (or the Chairman is taken to be appointed) as your proxy and you do not direct the Chairman how to vote on a resolution, then by completing and returning the Proxy Form, you expressly authorise the Chairman to exercise the proxy even though a resolution is connected directly or indirectly with the remuneration of a member of the KMP and to vote in accordance with his stated intention to vote in favour of all resolutions.

If you have appointed the Chairman of the Meeting (or the Chairman is taken to be appointed) as your proxy and you direct the Chairman how to vote on a resolution by marking either “for”, “against” or “abstain” for a resolution, then your vote will be cast in accordance with your direction.

CORPORATE REPRESENTATIVES AND ATTORNEYS

A Shareholder, or proxy, that is a body corporate and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative. Evidence of the appointment of a corporate representative must be in accordance with section 250D of the Corporations Act and be lodged with the Company.

A Shareholder entitled to attend and vote at the Meeting may appoint an attorney to attend and vote at the Meeting on the Shareholder’s behalf. The power of attorney appointing the attorney must be duly signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

A corporate representative or an attorney may, but need not, be a Shareholder of the Company.

Corporate representatives should bring to the Meeting appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring to the Meeting the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

VOTING ENTITLEMENT

For the purposes of the Meeting, the Directors have determined that pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), Shares will be taken to be held by the persons who are the registered holders at 7.00 pm (AEST) on Monday, 16 May 2016. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

On a poll, Shareholders have one vote for every Share held. Holders of options are not entitled to vote.

**EXPLANATORY MEMORANDUM
EMEFCY GROUP LIMITED (ACN 127 734 196)**

This Explanatory Memorandum accompanies and forms part of the Notice of Annual General Meeting (**Notice**) issued to convene the 2016 Annual General Meeting (**Meeting**) of the Shareholders of Emefcy Group Limited (**Company**) to be held at 4.00 pm (AEST) on Wednesday, 18 May 2016 at Giorgios Function Room, 1235 High Street, Armadale VIC 3143.

ITEM 1: FINANCIAL REPORTS

The Corporations Act requires the Financial Report and the reports of the Directors and Auditor for the financial year ended 31 December 2015 to be laid before the Meeting.

The Company's 2015 Annual Report (which includes the Financial Report, Directors' Report and Auditor's Report) is available on the Company's website at <http://www.emefcy.com/files/files/EMC%20financial%20statements%202015.pdf>.

A copy of the Annual Report has also been sent to each Shareholder (other than those Shareholders who have previously elected not to receive the Annual Report, whether in paper form or electronically). Any Shareholder who has made this election and now wishes to receive a paper or electronic copy of the Annual Report should contact the Company to arrange receipt.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on these reports. However, Shareholders as a whole will be given a reasonable opportunity at the AGM to ask questions about, or make comments on, these reports and the business and management of the Company.

In addition, a Shareholder who is entitled to cast a vote at the Meeting may submit a written question to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Financial Report,

by giving the question to the Company by no later than Thursday, 12 May 2016 (being the 5th business day before the day on which the Meeting is to be held). The Company will pass the questions on to the auditor, and the auditor will prepare a list of questions that the auditor considers relevant to the matters outlined above, which will be made available to Shareholders at the Meeting.

ITEM 2: PROPOSED RESOLUTIONS

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Company's Remuneration Report for the financial year ended 31 December 2015 forms part of the Directors' Report and is set out in pages 21 to 36 (inclusive) of the Annual Report, which is available at <http://www.emefcy.com/files/files/EMC%20financial%20statements%202015.pdf>.

The Remuneration Report includes:

- (a) a discussion of the Board's policy for determining the nature and amount of remuneration of the Company's Key Management Personnel;
- (b) a discussion of the relationship between such Board policy and the Company's performance;
- (c) details of any performance conditions associated with the remuneration of Key Management Personnel, including why they were chosen and how performance is measured against them; and
- (d) the remuneration details for each of the Company's Key Management Personnel, including the value of any options and performance rights granted to such person.

Section 250R(2) of the Corporations Act requires the Company to put a resolution to the Shareholders at the AGM for the adoption of the Remuneration Report. The vote on this resolution is advisory only

and will not bind the Company or the Directors. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments on, the Remuneration Report.

Also, Shareholders should note that under the Board spill provisions contained in the Corporations Act (known generally as the "two strikes rule"), if 25% or more of the votes cast on this resolution are against the adoption of the 2015 Remuneration Report, this will be considered the "first strike". While this would not impact this AGM, if a "second strike" is cast against the 2016 Remuneration Report at next year's annual general meeting, this will trigger a vote on a resolution to spill the Board, and all Directors who were in office at the date of that meeting (other than the Managing Director) must stand for re-election.

Board Recommendation

The Board recommends that Shareholders vote in favour of this resolution.

RESOLUTION 2: RE-ELECTION OF MR PETER MARKS

Pursuant to clause 6.1(f)(i)(A) of the Company's Constitution, there must be an election of Directors each year and at the AGM, excluding the Managing Director, one-third of the remaining Directors (rounded down to the nearest whole number) must retire from office. Under clause 6.1(g) of the Constitution, the Directors who must retire in accordance with this rule are the Directors who have been longest in office since their election. Clause 6.1(i) of the Constitution further provides that a Director retiring from office under clause 6.1(f)(i)(A) is eligible for re-election and that Director may by resolution of the Company be re-elected to office.

As at the date of this Notice, the Board is comprised of five Directors. Excluding the Managing Director, of the four remaining Directors, Mr Peter Marks has been in office the longest since his last election by Shareholders at the Extraordinary General Meeting held on 12 January 2015 (the appointment having taken effect from 12 March 2015). Mr Marks, being eligible, offers himself for re-election as a Director.

Mr Marks has in excess of 30 years' experience in corporate finance, specialising in capital raisings (for listed and unlisted companies), underwriting, IPOs and venture capital transactions, including with KPMG Corporate Finance Ltd (Australia) and Merrill Lynch. He has also acted as a director and chairman for a number of entities listed on the ASX and AIM. Mr Marks holds a Bachelor of Economics degree, a Bachelor of Law degree and a Graduate Diploma in Commercial Law from Monash University in Melbourne, Australia, and an MBA degree from the University of Edinburgh.

Board Recommendation

The Board (other than Mr Marks, who is the subject of this resolution) recommends that Shareholders vote in favour of the re-election of Mr Marks as a Director.

RESOLUTION 3: RE-ELECTION OF MR ROBERT WALE

Clause 6.1(d) of the Company's Constitution provides that the Directors may appoint any natural person to be a Director as an addition to the existing Directors, and a Director so appointed must, in accordance with clause 6.1(e), retire from office at the next annual general meeting following his or her appointment. Pursuant to clause 6.1(j) of the Constitution, a Director retiring from office under clause 6.1(e) is eligible for re-election and may by resolution of the Company be re-elected.

The Board appointed Mr Wale as a Director on 5 April 2016. In accordance with the Company's Constitution, Mr Wale will retire from office and, being eligible, offers himself for re-election as a Director.

Mr Wale brings over 30 years of executive-level experience in the global water industry, including strategic, business, sales, marketing and operations roles in Australia, USA, China and throughout the Asia Pacific region. Mr Wale has managed international businesses ranging from early-stage start-ups to companies generating revenues of \$400m per annum. He has served as General Manager of the Water Group at Lucas Engineering & Construction, Vice President for Asia-Pacific for Siemens Water Group, Managing Director for Veolia Water Services & Systems, Vice President, Sales & Marketing Asia-Pacific for US Filter, and General Manager and Vice President Technical and Business Development at Memtec Ltd. Since 2008, he has been Managing Director of BlueSand Consulting Pty Ltd, developing & reviewing water business strategies for companies, investors, multinational companies and banks.

In connection with his appointment as a Director, the Company issued 500,000 Options to Mr Wale. The terms of those Options are described in the information provided under Resolution 6A below.

Board Recommendation

The Board (other than Mr Wale, who is the subject of this resolution) recommends that Shareholders vote in favour of the re-election of Mr Wale as a Director.

RESOLUTION 4: APPOINTMENT OF BDO EAST COAST PARTNERSHIP AS AUDITOR

In accordance with section 329 of the Corporations Act, following the acquisition by the Company of Emefcy Limited on 18 December 2015, Ernst & Young, the Company's previous auditor, by written notice to the Company, resigned as auditor of the Company, and the Australian Securities and Investments Commission (**ASIC**) gave its consent to the resignation, which took effect on 24 February 2016.

Pursuant to section 327C of the Corporations Act, to fill the vacancy resulting from the resignation of Ernst & Young, the Board appointed BDO East Coast Partnership as auditor of the Company to complement the auditor of Emefcy Limited, BDO Israel. BDO East Coast Partnership will only hold office as the Company's auditor until the Meeting.

BDO East Coast Partnership has consented in writing to act as auditor of the Company and, as at the date of this Notice, has not withdrawn its consent.

Section 327B of the Corporations Act requires the Company to obtain the approval of Shareholders for the appointment of BDO East Coast Partnership as the auditor of the Company (to fill the vacancy that will occur when BDO East Coast Partnership's current office as auditor ends).

In accordance with section 328B of the Corporations Act, Milvian Bridge Pty Ltd, as a Shareholder of the Company, has nominated BDO East Coast Partnership for appointment as auditor of the Company. A copy of the notice of nomination is **attached** to this Notice as Annexure A.

Board Recommendation

The Board recommends that Shareholders in vote in favour of the appointment of BDO East Coast Partnership as auditor of the Company.

RESOLUTION 5: APPROVAL OF ISSUE OF OPTIONS TO MR EYTAN LEVY

The Board has approved, subject to Shareholder approval, the issue of 2,000,000 Options to Mr Eytan Levy, the Managing Director and Chief Executive Officer of the Company in connection with his remuneration package for 2016.

ASX Listing Rule 10.11 requires a company to obtain shareholder approval prior to the issue of Equity Securities to a related party of the company. For the purposes of ASX Listing Rule 10.11, a "related party" includes a Director of the Company.

Furthermore, 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. There are a number of exceptions to ASX Listing Rule 7.1 under ASX Listing Rule 7.2, including Exception 14, which provides that approval under ASX Listing Rule 7.1 is not required if the issue is made with the approval of shareholders under ASX Listing Rule 10.11. Accordingly, as Shareholder approval of the issue of Options to Mr Levy is being sought under ASX Listing Rule 10.11, approval is not also required under ASX Listing Rule 7.1.

For the purposes of and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Options to Mr Levy:

- (a) Mr Levy (or his nominee/s) will receive the Options the subject of Resolution 5.
- (b) The maximum number of securities to be issued will be 2,000,000 Options, having the terms set out in paragraph (e) below. Each Option will be exercisable for 1 Share.
- (c) The Options will be issued as soon as possible, but in any event not more than 1 month after the date of the Meeting.
- (d) Mr Levy is a Director of the Company.
- (e) The Options will be issued for nil cash consideration. The Options will be issued in two tranches: 1) 1,000,000 Options, each with an exercise price of A\$0.40, vesting on 23 December 2018 and expiring on the date which is 4 years after their issue date; and 2) 1,000,000 Options, each with an exercise price of A\$0.40, vesting on 23 December 2019 and expiring on the date which is 5 years after their issue date. The full terms of the Options are set out in Schedule 1 of this Explanatory Memorandum.
- (f) A voting exclusion statement applies to this resolution on the terms set out in the "Important Information" section of the Notice of Annual General Meeting.
- (g) No funds will be raised through the issue of the Options. The funds raised on exercise of the Options will be used for the Company's general working capital requirements.

Board Recommendation

The Board (other than Mr Levy, whose Options are the subject of this resolution) recommends that Shareholders vote in favour of this resolution.

RESOLUTIONS 6A-6B: RATIFICATION AND APPROVAL OF PREVIOUS ISSUES OF OPTIONS

As discussed above, 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.

Under ASX Listing Rule 7.4, an issue of securities made without approval under ASX Listing Rule 7.1 may be treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 and holders of ordinary securities subsequently approve it.

The issues of Options to Mr Robert Wale and EAS Advisors, LLC as described below were within the limits of ASX Listing Rule 7.1 and therefore made without Shareholder approval. In addition, the issue of Options to Mr Wale was not required to be approved by Shareholders under ASX Listing Rule 10.11 because those Options were issued to him as part of the transaction in which he became a Director, and accordingly the issue comes within Exception 6 of ASX Listing Rule 10.12.

Resolutions 6A and 6B seek subsequent Shareholder approval of these issues of Options under ASX Listing Rule 7.4 to refresh the Company's 15% placement capacity under ASX Listing Rule 7.1 and give the Company the flexibility to issue Equity Securities up to 15% of its Shares within a 12 month period without the requirement to obtain prior Shareholder approval.

In addition to the information set out above, further additional information required by the ASX Listing Rules in respect of each of Resolutions 6A and 6B is set out below.

RESOLUTION 6A: RATIFICATION AND APPROVAL OF PREVIOUS ISSUE OF OPTIONS TO MR ROBERT WALE

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the previous issue of Options to Mr Wale on 13 April 2016:

- (a) 500,000 Options were issued on the terms set out in paragraph (c) below. Each Option is exercisable for 1 Share.
- (b) The Options were issued for nil cash consideration. They were issued as part of Mr Wale's remuneration for his appointment as a Director.
- (c) The Options are unlisted options to acquire Shares. Each of the Options was issued with an exercise price of A\$0.35, with 50% of the Options vesting on 13 April 2017 and the remaining 50% of the Options vesting on 13 April 2018. All Options will expire on the date which is 4 years after their issue date.
- (d) The Options were issued to Mr Robert Wale.
- (e) No funds were raised from the issue of the Options. Funds raised on any exercise of the Options will be used for the Company's general working capital requirements.
- (f) A voting exclusion statement applies to this resolution on the terms set out the "Important Information" section of the Notice of Annual General Meeting.

Board Recommendation

The Board (other than Mr Wale, whose Options are the subject of this resolution) recommends that Shareholders vote in favour of this resolution.

RESOLUTION 6B: RATIFICATION AND APPROVAL OF PREVIOUS ISSUE OF OPTIONS TO ADVISOR

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the previous issue of Options to EAS Advisors, LLC on 18 March 2016:

- (a) 4,000,000 Options were issued on the terms set out in paragraph (c) below. Each Option is exercisable for 1 Share.
- (b) The Options were issued for nil cash consideration. They were issued as part of the remuneration to EAS Advisors, LLC for the provision of advisory services to the Company.
- (c) The Options are unlisted options to acquire Shares. The Options were issued in two tranches:
 - (i) 2,000,000 Options, each exercisable at A\$0.30 and expiring on 31 July 2018. Half of the Options will vest on the earlier of 1 July 2016 or the date on which the volume weighted average price (**VWAP**) of the Company's Shares for any 10 consecutive day period prior to the expiry date is at least A\$1.10. The remaining half of the Options has no vesting condition and, accordingly, these Options are currently able to be exercised. The Shares issued upon exercise of the Options will rank equally with the Company's existing Shares; and

- (ii) 2,000,000 Options, each exercisable at \$0.40 and expiring on 1 January 2019. The Options are subject to the following vesting conditions: 50% of the Options will vest on the earlier of 1 January 2017 or the date on which the VWAP of the Company's Shares for any 10 consecutive day period prior to the expiry date is at least A\$1.20, and the remaining 50% of the Options will vest on the earlier of 1 July 2016 or the date on which the VWAP of the Company's Shares for any 10 consecutive day period prior to the expiry date is at least A\$1.30. The Shares issued upon exercise of the Options will rank equally with the Company's existing Shares.
- (d) The Options were issued to EAS Advisors, LLC.
- (e) No funds were raised from the issue of the Options. Funds raised on any exercise of the Options will be used for the Company's general working capital requirements.
- (f) A voting exclusion statement applies to this resolution on the terms set out the "Important Information" section of the Notice of Annual General Meeting.

Board Recommendation

The Board recommends that Shareholders vote in favour of this resolution.

RESOLUTION 7: ADOPTION OF NEW CONSTITUTION

Section 136(2) of the Corporations Act provides that a company may modify or repeal its constitution by special resolution of the shareholders of the company.

Resolution 7 is a special resolution which will enable the Company to repeal its existing Constitution (**Existing Constitution**) and adopt a new Constitution (**Proposed Constitution**) to ensure it reflects the current provisions of the Corporations Act and the ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the Existing Constitution was adopted in 2007. The Directors believe that it is preferable in the circumstances to replace the Existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the Existing Constitution. Many of the proposed changes are administrative or minor in nature. The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A summary of the proposed material changes to the Constitution is set out below. This summary is not exhaustive and does not identify all of the differences between the Existing Constitution and the Proposed Constitution.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website (<http://www.emefcy.com/investors.php>), and at the Company's registered office. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 3 9824 5254). Shareholders are invited to contact the Company if they have any queries or concerns.

Summary of material proposed changes

General regulatory amendments and updating

Various legislative changes (including under the Corporations Act, the ASX Listing Rules and developments in general corporate governance practice for ASX listed companies) have occurred since the Existing Constitution was adopted in 2007. As a consequence, a number of the provisions in the Existing Constitution are outdated or no longer fully reflect current legislation or market practice. Accordingly, the Proposed Constitution reflects these changes and generally brings the Existing Constitution up to date with market practice.

Provisions concerning company administration

The Proposed Constitution contains a number of amendments to update or simplify the manner in which the administrative provisions of the Existing Constitution operate. These changes mainly relate to service of documents, maintenance of the Company books, management of business by Directors, confidentiality requirements of Directors, remuneration of Directors, determination of a quorum at a general meeting and the appointment of auditors.

Provisions relating to share rights

The Proposed Constitution includes a number of changes to share rights which includes the ability of the Company to vary the rights attaching to a class of shares if a special resolution of the Shareholders (or the holders of that class of shares) is achieved.

The Proposed Constitution also varies the general meeting rules in relation to the meeting of a class of shareholders. In summary, the provisions relating to general meetings will apply to all separate meetings of the holders of a class of shares with the exceptions that a quorum will be satisfied where there is at least two shareholders who together hold or represent at least one-third of the issued shares of the class of shares, any holder of shares in the class may demand a poll and the auditor is not entitled to the notice of the meeting of that class of shares.

Provisions relating to dividends

The Proposed Constitution includes a number of changes to broaden the methods by which the Company may pay dividends to Shareholders. These changes include the ability of the Company to determine dividends at different rates for different classes of shareholders and the ability of the Company to reinvest unclaimed dividends as the Board thinks fit.

Removal of proportional takeover bids clause

Under the Corporations Act, a company may include provisions in its constitution which prohibit the registration of shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by the shareholders of the company. A proportional takeover bid is a takeover bid under which the offer is made to each shareholder only for the proportion of that shareholder's shares.

The Directors believe these provisions are now out of date and they do not propose to have the provisions refreshed. As such, they have been removed from the Proposed Constitution. The Board is of the view that the removal of these provisions in no way limits the ability of Shareholders to deal with their Shares upon the receipt of a takeover offer (in respect of both a full takeover and a proportional takeover).

Board Recommendation

The Board recommends that Shareholders vote in favour of adopting a new Constitution of the Company.

RESOLUTION 8: APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the date of the annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity without member approval under ASX Listing Rule 7.1.

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. AS at the date of this Notice, the Company is an eligible entity.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of Equity Securities on issue, being the Shares.

While the Company has no current intention to use the 10% Placement Capacity, the Company is seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Capacity. This additional placement capacity will assist the Company in the event of a future capital raising, in raising funds for carrying out its business objectives and in particular, to accelerate commercialisation of the Company's technology, to pursue business development opportunities, to accelerate product development activities and otherwise for general working capital purposes.

If Shareholders approve this resolution, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the following formula prescribed in ASX Listing Rule 7.1A.2:

(A x 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 Shareholders under ASX Listing Rule 7.1 or 7.4. This does not include an issue of Shares under the Company'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 Shareholders under ASX Listing Rule 7.1 or 7.4.

SPECIFIC INFORMATION REQUIRED BY ASX LISTING RULE 7.3A

In accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this resolution:

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 that date, the date on which the Equity Securities are issued.

Risk of dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the voting interests of Shareholders who do not receive Equity Securities under the issue and may also dilute their economic interests (for example, if the issue of the Equity Securities is at a discount to the market price of the Equity Securities or results in the decrease of the market price of the Equity Securities).

The table below seeks to demonstrate the potential dilution of existing Shareholders resulting from the issue of Equity Securities under the 10% Placement Capacity calculated in accordance with the formula contained in ASX Listing Rule 7.1A.2. The table does this by setting out the potential number

of Shares issued and funds raised on the basis of the current number of Shares on issue as at the date of this Notice. The table assumes that the class of Equity Securities that will be issued will be Shares, as that is currently the Company's only class of quoted Equity Securities. The table also assumes a placement of 10% occurs and shows examples where:

- (a) the number of Shares on issue (variable 'A' in the formula) increases by 50% and 100%; and
- (b) the issue price increases and decreases by 50% against the current market price.

Number of Shares on issue (variable 'A' in formula)	Dilution Variable	Dilution		
		\$0.235 (50% decrease in current issue price)	\$0.47 (Current issue price)	\$0.705 (50% increase in current issue price)
188,636,911 (Current)	Additional 10% Shares issued	18,863,691	18,863,691	18,863,691
	Funds raised	4,432,967	8,865,934	13,298,902
282,955,366 (50% increase)*	Additional 10% Shares issued	28,295,536	28,295,536	28,295,536
	Funds raised	6,649,450	13,298,901	19,948,352
377,273,822 (100% increase)*	Additional 10% Shares issued	37,727,382	37,727,382	37,727,382
	Funds raised	8,865,934	17,731,869	26,597,804

* The number of Shares on issue (variable 'A' in the formula) could increase as a result of the issue of Shares that does not require Shareholder approval (such as under a pro-rata rights issue) or an issue of Shares with Shareholder approval under ASX Listing Rule 7.1.

The table above uses the following assumptions:

1. The current number of Shares on issue is the Shares on issue as at 13 April 2016.
2. The current issue price is the closing price of the Shares on the ASX on 12 April 2016.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1 or under an exception under ASX Listing Rule 7.2.
5. 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.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. Any fractions resulting from the calculations above have been rounded down.

Shareholders should note that there is a risk that:

- (a) the market price for the Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (b) 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.

Date of issue

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

- (a) the date that is 12 months after the date of this Meeting; and
- (b) the date of approval by Shareholders of any transaction under ASX Listing Rule 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) or such longer period if allowed by ASX.

Purpose of issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for various purposes, including to assist the Company in the event of a future capital raising, in raising funds for carrying out its business objectives and in particular, to accelerate commercialisation of the Company's technology, to pursue business development opportunities, to accelerate product development activities and otherwise for general working capital purposes. The Directors do not intend at this stage to issue any of the Equity Securities for non-cash consideration, however in the event they are issued for non-cash consideration, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

Allocation under the 10% Placement Capacity

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees 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 allottees 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).

Previous approval under Listing Rule 7.1A

Since reinstatement of the Shares to official quotation by the ASX from the commencement of trading on 23 December 2015, the Company has not obtained Shareholder approval under ASX Listing Rule 7.1A.

Voting exclusion

A voting exclusion statement applies to this resolution on the terms set out in the "Important Information" section of the Notice of Annual General Meeting. At the date of this Notice, the Company has not invited any existing Shareholder to participate in the issue of the Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholder's vote will be excluded under the voting exclusion in the Notice.

Board Recommendation

The Board recommends that Shareholders in vote in favour of this resolution.

**ANNEXURE A
NOMINATION OF AUDITOR OF THE COMPANY**



6 April 2016

Board of Directors
Emefcy Group Limited
Suite 1, 1233 High Street
Armadale VIC 3143

Dear Directors,

Notice of Nomination of Auditor

In accordance with section 328B(1) of the *Corporations Act 2001* (Cth), we, Milvian Bridge Pty Ltd, being a member of Emefcy Group Limited ACN 127 734 196 (**Company**), hereby nominate BDO East Coast Partnership for appointment as auditor of the Company at the next Annual General Meeting.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Ruth Kennedy', written over a faint blue grid.

Ruth Kennedy
Director

A handwritten signature in blue ink, appearing to read 'Ross Kennedy', written over a faint blue grid.

Ross Kennedy
Director / Secretary

Milvian Bridge Pty Ltd ABN 68 430 037 829
5 O'Loughlan Street Ormond Victoria 3204 Australia

SCHEDULE 1
TERMS OF OPTIONS (MR EYTAN LEVY)

PART A: TERMS APPLICABLE TO THE FIRST TRANCHE OF OPTIONS

- (a) The Options will expire at 5.00pm (AEST) on the date which is 4 years after their issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (b) The amount payable upon exercise of each Option will be A\$0.40 (**Exercise Price**).
- (c) The Options will vest on 23 December 2018.

PART B: TERMS APPLICABLE TO THE SECOND TRANCHE OF OPTIONS

- (a) The Options will expire at 5.00pm (AEST) on the date which is 5 years after their issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (b) The amount payable upon exercise of each Option will be A\$0.40 (**Exercise Price**).
- (c) The Options will vest on 23 December 2019.

PART C: COMMON TERMS APPLICABLE TO ALL OPTIONS

The Options entitle the holder to subscribe for fully paid ordinary shares (**Shares**) issued in the capital of Emefcy Group Limited (**Company**) on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for 1 Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
- (b) The Options may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (c) The Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (d) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (e) 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.

- (f) The Options are non-transferrable.
- (g) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (h) The Company will not apply for quotation of the Options on the Australian Securities Exchange (**ASX**). However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 10 Business Days after the allotment of those Shares.
- (i) If at any time the Issued Capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the *Corporations Act 2001* (Cth) and the ASX Listing Rules at the time of the reconstruction.
- (j) There are no participating rights or entitlements inherent in the Options and the Optionholder 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 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- (k) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (l) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

GLOSSARY

AGM or Meeting	the Annual General Meeting of the Company to be held at 4.00 pm (AEST) on Wednesday, 18 May 2016 at Giorgios Function Room, 1235 High Street, Armadale VIC 3143
Annual Report	the Annual Report of the Company for the year ended 31 December 2015
ASIC	the Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691)
ASX Listing Rules	the Listing Rules of ASX
Board	the board of Directors of the Company
Director	a director of the Company
Chairman	the Chairman of the Meeting
Closely Related Party	has the meaning given in section 9 of the Corporations Act
Company	Emefcy Group Limited (ACN 127 734 196)
Constitution	the Company's constitution
Corporations Act	the <i>Corporations Act 2001</i> (Cth)
Equity Security	has the meaning given in the ASX Listing Rules
Explanatory Memorandum	the Explanatory Memorandum accompanying and forming part of the Notice
Key Management Personnel or KMP	the key management personnel of the Company named in the Remuneration Report, including the Directors
Notice or Notice of Annual General Meeting	this Notice of Annual General Meeting and the Explanatory Memorandum and Proxy Form
Option	an option to acquire a Share
Proxy Form	the Proxy Form accompanying and forming part of the Notice
Remuneration Report	the Remuneration Report for the year ended 31 December 2015 as set out in pages 21 to 36 (inclusive) of the Annual Report
Share	a fully paid ordinary share in the capital of the Company
Shareholder	a holder of a Share

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 4:00pm AEST on Monday 16 May 2016.**

🖥 TO VOTE ONLINE

STEP 1: VISIT www.votingonline.com.au/emefcyagm2016

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

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

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

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

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **4:00pm AEST on Monday, 16 May 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** www.votingonline.com.au/emefcyagm2016

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

Emefcy Group Limited

ACN 127 734 196

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Emefcy Group Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Giorgios Function Room, 1235 High Street, Armadale, VIC 3143 on Wednesday, 18 May, 2016 at 4:00pm AEST** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,5 and 6A I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1,5 and 6A are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 5 and 6A). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
 * If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

Ordinary Resolutions

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Peter Marks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Mr Robert Wale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Appointment of BDO East Coast Partnership as Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Issue of Options to Mr Eytan Levy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6A	Ratification and Approval of previous issue of options to Mr Robert Wale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6B	Ratification and Approval of Previous Issue of Options to Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Resolutions

Resolution 7	Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016