
FERTOZ LTD ACN 145 951 622

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

Notice is hereby given that the General Meeting of the Shareholders of FertoZ Ltd ACN 145 951 622 to which this Notice of Meeting relates will be held at:

TIME: 11:00 am Australian Eastern Standard Time (AEST)

DATE: Tuesday 14 August 2018

PLACE: Karstens, Level 1, 111 Harrington Street, Sydney

This Notice of Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (0)3 9191 0135.

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IMPORTANT INFORMATION

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The persons eligible to vote at the General Meeting are those who are registered Shareholders at 7:00 pm (AEST), 12 August 2018.

VOTING IN PERSON

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

VOTING BY PROXY

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

BUSINESS OF THE MEETING

ORDINARY BUSINESS

RESOLUTION 1 - RATIFICATION OF APPOINTMENT OF MR STUART RICHARDSON AS A DIRECTOR OF THE COMPANY

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

"That, Mr Stuart Richardson, a director of the Company who retires in accordance with the Company's Constitution, and being eligible for election, be elected as a director of the Company with effect from the close of this Meeting."

RESOLUTION 2 - RATIFICATION OF ISSUE OF 11,764,706 SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the shareholders hereby ratify the allotment and issue of 11,764,706 Shares at an issue price of 17 cents per Share, on the terms and conditions set out in the Explanatory Memorandum."

RESOLUTION 3 – APPROVAL OF ISSUE OF 6,000,000 SHARES TO MR PATRICK AVERY

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 6,000,000 Shares to Mr Patrick Avery (a director of the Company), or his nominee, on the terms described in the Explanatory Memorandum."

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company and the Corporations Act.

BY ORDER OF THE BOARD

PATRICK AVERY
CHAIRMAN

DATE: 10 JULY 2018

VOTING EXCLUSION STATEMENTS

Resolution 2

The Company will disregard any votes cast in favour of **Resolution 2** by a person or an associate of such person who participated in the Placement.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair 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 3

The Company will disregard any votes cast in favour of **Resolution 3** by Patrick Avery (or his nominee) and any associate of Patrick Avery or his nominee.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair 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.

Further, a vote must not be cast on **Resolution 3** (and will be taken not to have been cast if cast contrary to this restriction) by a member of the Key Management Personnel or any Closely Related Party of such a member (in each case, when acting as a proxy), if their appointment does not specify the way the proxy is to vote on **Resolution 3**. However, a member of the Key Management Personnel or any Closely Related Party of such a member may vote when acting as proxy if that person is the Chair of the Meeting and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

IMPORTANT NOTES

1. The Company has determined that for the purpose of determining voting entitlements at the General Meeting all Shares in the Company that are quoted on the ASX will be taken to be held by the persons who held them as registered Shareholders at 7:00 pm (AEST) on 12 August 2018. Accordingly, Share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.
2. Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting (even if a Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company), subject to compliance with the Corporations Act.
3. On a poll, a Shareholder will have one vote for every Share held.
4. On a show of hands, every Shareholder present has one vote (Subject to note 7 below).
5. A Shareholder entitled to attend and vote may attend and vote in person or by proxy, or attorney or (where the Shareholder is a body corporate) by representative.
6. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the Shareholder's votes each proxy is entitled to exercise. If the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise one half of those votes.
7. Where a Shareholder appoints two proxies in one instrument and both are present, on a show of hands only the first named proxy may vote.
8. The proxy of a Shareholder does not need to be a Shareholder of the Company.

9. Proxy forms must be signed by a Shareholder or that Shareholder's attorney or, if a corporation, executed under seal or in accordance with section 127 of the Corporations Act 2001 (Cth) (if an Australian Company) or signed by an authorised officer of attorney for any overseas companies.
10. If proxy holders vote, they must cast all directed proxies as directed and any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.
11. A proxy form accompanies this Notice of Meeting and to be effective must be received by the Company's corporate registry by 11:00 am (AEST) 12 August 2018 by one of the following methods:

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

By Fax:

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only:

(custodians) www.intermediaryonline.com

For all enquiries in relation to completing your proxy call Computershare on:

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

EXPLANATORY MEMORANDUM

THIS EXPLANATORY MEMORANDUM SHOULD BE READ IN ITS ENTIRETY. IF SHAREHOLDERS ARE IN DOUBT AS TO HOW THEY SHOULD VOTE, THEY SHOULD SEEK ADVICE FROM THEIR ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISER PRIOR TO VOTING.

This Explanatory Memorandum should be read in conjunction with the Notice of General Meeting to which this Explanatory Memorandum is attached and forms part of.

Terms used in this Explanatory Memorandum are defined in Schedule 1 of this Explanatory Memorandum.

1. RESOLUTION 1 – RATIFICATION OF APPOINTMENT OF MR STUART RICHARDSON AS A DIRECTOR OF THE COMPANY

1.1 Background

Under clause 20.1(c) of the Company's Constitution, the Board appointed Mr Stuart Richardson as a director of the Company on 27 June 2018 as an addition to the Board. Mr Stuart Richardson retires as a Director at the end of the forthcoming Meeting, and being eligible, offers himself for election as a Director of the Company.

Mr Richardson has extensive experience over 35 years in capital markets both in Australia and overseas in the field of investment banking and stockbroking. He is a founding director of Blackwood Capital Limited an Australian based investment bank operating in capital markets, advisory and funds management in equities and private equity.

He holds a Bachelor of Business from Swinburne University of Technology, Melbourne Australia and is a CPA. Mr Richardson is currently a non-executive director of Abundant Produce Limited (ABT) and XTD Limited (XTD).

1.2 Recommendation

The directors (other than Mr Richardson because of his interest in this Resolution) recommend that Shareholders vote in favour of Resolution 1. The Chairman of the Meeting intends to vote available proxies in favour of this Resolution.

2. RESOLUTION 2 – RATIFICATION OF ISSUE OF 11,764,706 SHARES

2.1 Introduction

On 17 April 2018, the Company completed a private placement of 11,764,706 Shares at an issue price of \$0.17 per Share raising \$2.0 million (Placement).

The Company now seeks Shareholder approval to ratify the issue of Shares under the Placement (Placement Shares) so as to refresh the Company's 15% Capacity under Listing Rule 7.1 and 10% Extra Capacity under Listing Rule 7.1A (see below for details).

2.2 ASX Listing Rules

Listing Rule 7.1 provides that an entity must not, without Shareholder approval (subject to specific exemptions), issue or agree to issue more equity securities during any 12 month period than the amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (15% Capacity).

Listing Rule 7.4 allows Shareholders to subsequently approve an allotment of securities that were issued without Shareholder approval under Listing Rule 7.1, resulting in those securities then being retrospectively treated as having been issued with Shareholder approval under Listing Rule 7.1. The effect of this rule is to “refresh” the 15% Capacity under Listing Rule 7.1.

Listing Rule 7.1A permits an eligible entity to increase the 15% Capacity in any 12 month period by an extra 10% (10% Extra Capacity) by obtaining Shareholder approval (passed as a special resolution) at its annual general meeting. The Company obtained Shareholder approval under Listing Rule 7.1A at the annual general meeting held on 30 November 2017.

Listing Rule 7.1A.2 allows shareholders to subsequently approve (in accordance with Listing Rule 7.4) an allotment of securities that were issued without shareholder approval under Listing Rule 7.1A, resulting in those securities then being retrospectively treated as having been issued with shareholder approval under Listing Rule 7.1. The effect of this rule is to “refresh” the 10% Extra Capacity under Listing Rule 7.1A.

The Company completed the Placement utilising its 15% Capacity to issue securities under Listing Rule 7.1 and its 10% Extra Capacity to issue securities under Listing Rule 7.1A. While the approval of Resolution 2 will have no effect on the issue of the Placement Shares, if Shareholders approve Resolution 2, it will give the Company greater flexibility to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A.

2.3 Information required by ASX Listing Rule 7.5

For the purposes of Listing Rule 7.5, the Company provides the following information to Shareholders:

- (a) The number of securities issued was 11,764,706 Shares.
- (b) The Placement Shares were issued at a price of A\$0.17 each.
- (c) The Placement Shares were issued to sophisticated and professional investors (as those terms are defined in Section 708 of the Corporations Act), together with other investors identified by the Company or its Broker (Blackwood Capital) to whom disclosure was not required under Section 708(1) of the Corporations Act.

No Placement Shares were issued to Directors or related parties of the Company.

- (d) The funds raised under the Placement are proposed to be used to provide working capital to help meet the surge in demand for Fertoz products in North America. The Company will also deploy funds raised to pursue opportunities Fertoz has identified to enhance its logistics capability, with scope to boost Shareholder value through joint ventures and/or wholly owned vertical integration.
- (e) A voting exclusion statement for Resolution 2 is included in the Notice of Meeting accompanying this Explanatory Memorandum.

2.4 Directors' recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – APPROVAL OF ISSUE OF 6,000,000 SHARES TO MR PATRICK AVERY

3.1 Background

The Company proposes to issue 6,000,000 Shares with performance based vesting hurdles to Mr Patrick Avery and/or his nominee on the terms and conditions set out below. The issuance of shares to executives as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of their company for the commercial benefit of all shareholders.

The Board believes it is important to offer these Shares to continue to attract and maintain highly experienced and qualified Board members and executives in a competitive market (in a way that allows the Company to utilise its available cash for other preferred purposes).

3.2 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a 'financial benefit' to a 'related party' unless one of the exceptions set out in Sections 210 to 216 of the Corporations Act apply, or shareholders have in a general meeting approved the giving of that financial benefit to that related party. The issue of Shares to Mr Patrick Avery (or his nominee) constitutes giving a financial benefit and Mr Patrick Avery is a related party by virtue of being a Director.

The Directors (other than Mr Patrick Avery who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares to Mr Patrick Avery because the Shares form part of Patrick's remuneration as an executive officer of the Company and the remuneration is reasonable given Patrick's circumstances and the circumstances of the Company.

Given the speculative nature of the Company's activities, the performance of the Directors and the performance and value of the Company are closely related. As such, the Shares granted are intended to provide reward and incentive for future services provided to the Company to further the progress of the Company and to deliver growth and Shareholder value. In the Company's circumstances, the Directors considered that the allotment of the Shares to Mr Patrick Avery provides a cost effective and efficient incentive as opposed to alternative forms of incentives (such as cash bonuses or increased salary or board fees).

Accordingly, approval will not be sought under Chapter 2E for the issue of these Shares to Mr Patrick Avery as the issue of the Shares constitutes 'reasonable remuneration' in accordance with Section 211 of the Corporations Act.

3.3 ASX Listing Rule 10.11

Notwithstanding that approval will not be sought from Shareholders under Chapter 2E of the Corporations Act, under ASX Listing Rule 10.11, shareholder approval is required for the issue of any equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2 (Exception 14) as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1. Therefore, the issue of Shares to Mr Patrick Avery under Resolution 3 (if passed) will not reduce any of the Company's 15% Capacity under Listing Rule 7.1.

3.4 Information required by ASX Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following particulars of the allotment and issue contemplated by Resolution 3:

Maximum number of securities to be issued	6,000,000 Shares																		
Date of issue	If Shareholder approval is obtained, the issue of the Shares will occur no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).																		
Issue price per security	No funds will be received upon issue of the Shares (unless the Company provides a loan to Mr Patrick Avery to acquire the Shares, and that loan is repaid by Mr Patrick Avery – see below). The Shares will be issued at a deemed issue price equal to the current valuation per Share set out in section 4.2 of this Notice.																		
Terms of issue	<p>The Shares are subject to the corresponding performance hurdles as set out below (Performance Hurdles). The Performance Hurdles must be satisfied at any time between the date of issue of the Shares and the relevant expiry date before the Shares can be sold, transferred, or encumbered by Mr Patrick Avery (or his nominee).</p> <p>Where a Performance Hurdle is not satisfied by the relevant expiry date (or in the opinion of the Board, becomes incapable of being satisfied), or Mr Patrick Avery has ceased to act as a Director of the Company before the relevant expiry date (and the relevant Performance Hurdle has not been satisfied before that expiry date), then the Shares will be forfeited and sold by the Company as agent for Mr Patrick Avery and the proceeds will then be retained by the Company.</p> <p>The Company Share prices associated with each Performance Hurdle will be based on on-market trading occurring through the ASX.</p> <table><tr><th>No of Shares</th><th>Expiry Date</th><th>Performance Hurdle</th></tr><tr><td>2,000,000</td><td>N/A</td><td>Signing of a new employment/consultancy contract (which has now been satisfied)</td></tr><tr><td>1,000,000</td><td>1 June 2021</td><td>The Company Share price exceeding 28 cents at all times for 10 consecutive trading days</td></tr><tr><td>1,000,000</td><td>1 June 2021</td><td>The Company Share price exceeding 38 cents at all times for 10 consecutive trading days</td></tr><tr><td>1,000,000</td><td>1 June 2021</td><td>The Company Share price exceeding 50 cents at all times for 10 consecutive trading days</td></tr><tr><td>1,000,000</td><td>1 June 2021</td><td>The Company Share price exceeding 60 cents at all times for 10 consecutive days</td></tr></table>	No of Shares	Expiry Date	Performance Hurdle	2,000,000	N/A	Signing of a new employment/consultancy contract (which has now been satisfied)	1,000,000	1 June 2021	The Company Share price exceeding 28 cents at all times for 10 consecutive trading days	1,000,000	1 June 2021	The Company Share price exceeding 38 cents at all times for 10 consecutive trading days	1,000,000	1 June 2021	The Company Share price exceeding 50 cents at all times for 10 consecutive trading days	1,000,000	1 June 2021	The Company Share price exceeding 60 cents at all times for 10 consecutive days
No of Shares	Expiry Date	Performance Hurdle																	
2,000,000	N/A	Signing of a new employment/consultancy contract (which has now been satisfied)																	
1,000,000	1 June 2021	The Company Share price exceeding 28 cents at all times for 10 consecutive trading days																	
1,000,000	1 June 2021	The Company Share price exceeding 38 cents at all times for 10 consecutive trading days																	
1,000,000	1 June 2021	The Company Share price exceeding 50 cents at all times for 10 consecutive trading days																	
1,000,000	1 June 2021	The Company Share price exceeding 60 cents at all times for 10 consecutive days																	

Persons to whom securities will be issued	Mr. Patrick Avery (a director of the Company), or his nominee.
Intended use of funds	No funds will be raised from the issue of these Shares unless the Shares are forfeited and sold by the Company as a result of a Performance Hurdle not being satisfied (or being incapable of satisfaction) or unless any loan provided in respect of the acquisition of the Shares (if applicable) is repaid. It is intended that funds raised (if any) will be used for working capital purposes.

3.5 Additional information

Mr. Patrick Avery's remuneration package for the financial year ending 30 June 2018 (FY18) and 30 June 2019 (FY19) are expected to consist of the following components:

	FY19	FY18
Fees/salary	US\$223,500 per annum.	Consultancy fees of US\$207,000 per annum.
Additional fees	If Mr Patrick Avery is required to provide services to the Company on more than 15 days during any month (or 17 days on and from 1 January 2019) (based on an 8-hour day), a related entity of Mr Patrick Avery is entitled to receive additional fees of up to US\$950 for each additional day.	Nil
Security based incentives	The 6,000,000 Shares contemplated by Resolution 3. These 6,000,000 Shares have been valued at \$738,676 (based on the valuation methodology described in section 4 of this Explanatory Memorandum).	Nil
Other	The Company will also reimburse Mr Patrick Avery for all reasonable travel expenses incurred in the performance of his duties.	The Company will also reimburse Mr Patrick Avery for all reasonable travel expenses incurred in the performance of his duties.

Mr Patrick Avery's existing interests in Fertoz are as set out below:

- (a) 107,143 Shares; and
- (b) 303,572 unlisted options.

There are currently 106,444,530 Shares on issue. The dilutionary effect of the issue of 6,000,000 Shares under Resolution 3 would be 5.6%.

The Directors do not consider that there are any significant opportunity costs or taxation consequences for the Company (or benefits foregone by the Company) as a result of the issuance of the Shares to Mr Patrick Avery in accordance with Resolution 3.

If after obtaining professional advice it is determined that it would be preferable for Mr Patrick Avery to pay for the Shares, a loan may be offered to Mr Patrick Avery by the Company to acquire the Shares (with the loan amount being up to the current deemed value of the Shares set out in section 4.2) on the following terms:

- (a) the loan will be interest free;
- (b) the loan made available to Mr Patrick Avery will be applied by the Company directly toward payment of the issue price of the Shares;
- (c) the loan repayment date and the manner for making such payments will be determined by the Board and set out in a loan agreement;
- (d) the Company will have a lien over the Shares in respect of which any loan is outstanding and the Company will be entitled to sell those Shares;
- (e) the loan will be non-recourse (except against the Shares held by Mr Patrick Avery to which the loan relates); and
- (f) the Board may, in its absolute discretion, agree to forgive the loan.

3.6 Directors' recommendation

Mr Patrick Avery has a personal interest in the outcome of Resolution 3 on the basis that he (or his nominee) will be issued Shares if Resolution 3 is passed. The remaining Directors do not have a personal interest in the outcome of Resolution 3. However, in accordance with good corporate governance practice, the remaining Directors abstain from making a recommendation on how to vote on Resolution 3 because the Resolution relates to another Director's remuneration.

4. VALUATION OF SHARES TO BE ISSUED UNDER RESOLUTION 3

4.1 Valuation methodology

As at the date of this Notice, the Company had 106,444,530 Shares on issue. The following table gives details of the highest, lowest and latest market sale price for the Company's Shares over the past 12 months ending at the close of trade on 9th July 2018:

Highest price	Lowest price	Latest price
\$0.22 on 15 May 2018	\$0.05 on 9 October 2017	\$0.185 on 9 July 2018

Given that the Shares to be issued under Resolution 3, include performance hurdles before they duly vest (and based on the assumptions set out below), management has estimated that the Shares to be issued under Resolution 3, are worth \$738,676 as at 25 June 2018 (see the table in section 4.2 for the break down).

The valuation was derived using the Black and Scholes valuation methodology and in accordance with applicable accounting standards, based on the following assumptions:

- (a) the valuation date is 25 June 2018, although the Shares will not be granted until Shareholders have approved the issue of the Shares;
- (b) the Shares will be issued to Mr Patrick Avery at zero cost – although it is acknowledged that they may ultimately be purchased using funds loaned by the Company (if a loan is required);
- (c) the performance hurdles associated with each tranche of Shares have the corresponding expiry dates as set out in the tables below;
- (d) the price of a fully paid Share is based on the closing Share price of the Company on 25 June 2018 which was 20 cents per Share;
- (e) a risk free rate of 2.04%; and
- (f) an expected volatility rate of 92% has been applied.

4.2 Valuation of Shares to be issued to Mr Patrick Avery under Resolution 3

Tranche	Expiry Date	Current valuation per Share	Total value
2,000,000 Shares	N/A	\$0.20	\$400,000
1,000,000 Shares (28 cent hurdle)	1 June 2021	\$0.1027	\$102,661
1,000,000 Shares (38 cent hurdle)	1 June 2021	\$0.0892	\$ 89,214
1,000,000 Shares (50 cent hurdle)	1 June 2021	\$0.0773	\$ 77,262
1,000,000 Shares (60 cent hurdle)	1 June 2021	\$0.0695	\$ 69,539
		TOTAL	\$738,676

Schedule 1 - Glossary

\$ means Australian dollars.

15% Capacity has the meaning given in section 2.2 of the Explanatory Memorandum.

ASX means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).

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

Board means the current board of Directors of the Company.

Chair means the chairperson of the General Meeting.

Closely Related Party has the meaning given to that term in the Corporations Act and, in relation to a member of the Key Management Personnel, includes:

- a spouse or child of that member;
- a child of that member's spouse;
- a dependant of that member or of that member's spouse;
- anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company (or its controlled entities);
- a company that member controls; and
- any person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Ferto Ltd ACN 145 951 622.

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

Directors means the current directors of the Company.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice, Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Memorandum and the Proxy Form.

Placement has the meaning given in section 2.1 of the Explanatory Memorandum.

Proxy Form means the proxy form accompanying the Notice.

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

Schedule means a schedule to this Notice.

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

Shareholder means a holder of a Share.

Words importing the singular include the plural and vice versa.

Fertoz Limited

ACN 145 951 622

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

FTZ

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX

For your vote to be effective it must be received by 11:00am (AEST) on Sunday 12 August 2018

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 or abstain as they choose (to the extent permitted by law). 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 help tab, "Printable 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 your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com



Review your securityholding



Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

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.



I 9999999999

I ND

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 Ferto 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 General Meeting of Ferto Limited to be held at Karstens, Level 1, 111 Harrington Street, Sydney on Tuesday 14 August at 11:00am (AEST) 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 Item 3 (except where I/we have indicated a different voting intention below) even though Item 3 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: 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 Item 3 by marking the appropriate box in step 2 below.

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
1	Ratification of appointment of Mr Stuart Richardson as a director of the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Ratification of issue of 11,764,706 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval of issue of 6,000,000 shares to Mr Patrick Avery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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 / /