



Vertua Limited

ACN 108 076 295

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT

DATE AND TIME OF MEETING:

19 November 2013 at 10:00am (AEDT)

VENUE OF MEETING:

Grant Thornton, Level 19, 2 Market Street, Sydney NSW 2000

These documents should be read in their entirety.

If Shareholders are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Vertua Limited (ACN 108 076 295) **(the Company)** will be held on 19 November 2013 at 10.00am (AEDT) at the offices of Grant Thornton, Level 19, 2 Market Street, Sydney NSW 2000 **(the Meeting)**.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting **(the Notice)** describes in more detail the matters to be considered at the Meeting.

Please refer to section 4 of the Explanatory Statement accompanying this Notice for a glossary of terms and abbreviations used in this Notice and the Explanatory Statement. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

ORDINARY BUSINESS:

1. Item 1: Financial Statements and Reports

To receive and consider the Annual Report of the Company for the year ended 30 June 2013 which includes the Annual Financial Report of the Company, the Directors' Report, the Directors' Declaration and the Auditor's Report.

2. Resolution 1: Remuneration Report

To consider, and if thought fit, to pass the following advisory resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report for the year ended 30 June 2013 as contained in the Directors' Report of the Company for the year ended 30 June 2013."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 (in any capacity) by, or on behalf of, the following persons:

- (a) a member of the key management personnel (KMP) (which includes each of the directors of the Company) whose remuneration is disclosed in the 2013 Remuneration Report; or
- (b) a closely related party (as that term is defined in the Corporations Act) (such as close family members and any controlled companies) (Closely Related Party) of such a member of the KMP.

However, the Company will not disregard the vote if it is cast as a proxy for a person who is entitled to vote and:

- (a) the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- (b) the vote is cast by the person chairing the Meeting and;
 - (i) the appointment does not specify how the proxy is to vote; and,
 - (ii) 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 KMP.

Note: in accordance with section 250R of the Corporations Act, the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. Resolution 2: Re-Election of Director – Mr. Peter Spann

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

"That Mr. Peter Spann, who retires by rotation in accordance with clause 12.9 of the constitution of the Company, and being eligible, offers himself for re-election as a Director, be re-elected as a Director of the Company effective immediately upon the close of this Meeting."

BY ORDER OF THE BOARD:

A handwritten signature in black ink, appearing to read 'H. Woolcott', written over a light blue rectangular background.

**Howard Woolcott
Company Secretary**

Dated: 30 September 2013

IMPORTANT INFORMATION

Voting Entitlement

For the purpose of regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining their voting entitlements for the Meeting will be as it appears on the Company's Share Register at 5.00pm (AEDT) on 15 November 2013 **(the Entitlement Time)**.

Accordingly, only those persons registered as holders of Shares at the Entitlement Time will be entitled to attend and vote at the Meeting.

Transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the Meeting.

Required Majority

- a) In accordance with the Corporations Act, for the Resolutions to be effective:
 - (i) the Resolutions must be passed at a meeting of which not less than 28 days written notice specifying the intention to propose the Resolutions has been given (satisfied by this Notice); and
 - (ii) in the case of ordinary resolutions, the Resolutions must be passed by more than 50% of all the votes cast by Shareholders present and entitled to vote on the Resolutions (whether in person or by proxy, attorney or representative); and
 - (iii) in the case of special resolutions, the Resolutions must be passed by not less than 75% of all the votes cast by Shareholders present and entitled to vote on the Resolutions (whether in person or by proxy, attorney or representative).
- b) On a show of hands every Shareholder has one vote, and on a poll, every Shareholder has one vote for each fully paid ordinary share of the Company.

Appointment of Proxy

- (a) A Proxy Form in the form required by the Corporations Act accompanies this Notice.
- (b) A Shareholder entitled to attend and vote at the Meeting has the right to appoint a proxy.
- (c) A proxy need not be a Shareholder of the Company.
- (d) Where more than one proxy is appointed by a Shareholder who is entitled to do so, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.
- (e) To be valid forms of proxy, the proxy form must be received by the share registry of the Company, Link Market Services, by no later than 10.00am (AEDT) on 17 November 2013 (48 hours prior to the Meeting).

The proxy form can be sent to Link Market Services:

By Post: Locked Bag A14
 Sydney South NSW 1235
 Australia

By Facsimile: +61 2 9287 0309

Enquiries

All enquiries in relation to the contents of the Notice or the Explanatory Statement should be directed to the Company Secretary, Mr. Howard Woolcott on 1300 679 374.

EXPLANATORY STATEMENT

IMPORTANT INFORMATION

This Explanatory Statement has been prepared for the information of Shareholders of Vertua Limited (ACN 108 076 295) **(the Company)** in connection with the Resolutions to be considered at the Annual General Meeting of Shareholders to be held at the offices of Grant Thornton on 19 November 2013 at 10.00am (AEDT) at Level 19, 2 Market Street, Sydney NSW 2000 **(the Meeting)**.

This Explanatory Statement has been prepared for the Shareholders of the Company pursuant to NSX Listing Rule 6.48 in order to provide Shareholders with sufficient information to ensure that they are informed of all substantial matters relevant to the Resolutions proposed to be considered at the Meeting by the accompanying Notice of Annual General Meeting **(the Notice)**.

Shareholders should read this Explanatory Statement in full because individual sections do not give a comprehensive review of the Resolutions. Further, this Explanatory Statement should be read in conjunction with the Notice.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice and Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

INTRODUCTION

The Meeting is being held so that the Directors can table the financial statements and reports of the Company for the financial year ended 30 June 2013 and so that Shareholders can vote on the election of Directors. This is known as the Ordinary Business of the Meeting.

Please refer to section 4 of this Explanatory Statement for a glossary of terms and abbreviations used in the Notice and Explanatory Statement. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

ORDINARY BUSINESS

1 ITEM 1: FINANCIAL STATEMENTS AND REPORTS

1.1 Background to Item 1

The Corporations Act 2001 (Cth) **(the Corporations Act)** and the Constitution of the Company requires the financial statements, Directors' Report and Auditor's Report for the financial year ended 30 June 2013 to be tabled before the Meeting, and the constitution of the Company provides for such statements and reports to be received and considered at the Meeting.

Accordingly, the Financial Report, Directors' Report, Remuneration Report and Auditor's Report for the Company for the year ended 30 June 2013 will be laid out before the Meeting.

1.2 Corporations Act Requirements

Neither the Corporations Act nor the constitution of the Company requires a vote of Shareholders at the Meeting on such statements and reports.

However, the Meeting provides a forum for Shareholders to ask questions and make comments on the Company's reports and accounts and on the business and operations of the Company for the year ended 30 June 2013.

In addition, in accordance with section 250T of the Corporations Act, a representative of the

Company's auditor, Grant Thornton Audit Pty Ltd (ACN 130 913 594) **(the Auditor)**, will be in attendance to respond to any questions raised in relation to the Auditor or the Auditor's Report.

More specifically, Shareholders may ask the Auditor questions at the Meeting in relation to the following matters:

- the conduct of the audit;
- the independence of the Auditor in relation to the conduct of the audit; and
- the accounting policies adopted by the Company for the preparation of the financial statements.

Shareholders may submit written questions to the Auditor in relation to the above items. Any written questions to the Auditor must be submitted to the Company by no later than 5:00pm on the fifth business day before the date of the Meeting.

2 RESOLUTION 1: REMUNERATION REPORT

2.1 Shareholder Approval

Pursuant to section 250R(2) of the Corporations Act, the Board is seeking the approval of Shareholders to adopt the Remuneration Report of the Company for the year ended 30 June 2013, by way of an advisory resolution.

2.2 Corporations Act Requirements

The Remuneration Report sets out the Company's remuneration policy and reports the remuneration arrangements in place for the Executive and Non-Executive Directors of the Company and certain executives whose remuneration arrangements are required to be disclosed.

The Remuneration Report forms part of the Directors' Report which is contained in the Annual Report of the Company for the year ended 30 June 2013.

Section 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the vote.

However, pursuant to section 250R(3) of the Corporations Act, the vote on the resolution is advisory only and does not bind the Directors or the Company.

Notwithstanding this, the Directors will take into account the discussion on this item and the outcome of this vote when considering future remuneration arrangements of the Company, particularly in light of the obligations of the Directors pursuant to Division 9 of Part 2G.2 of the Corporations Act.

Notwithstanding this, section 250SA of the Corporations Act requires that a reasonable opportunity be allowed to Shareholders at the Meeting to ask questions about, or make comments on, the Remuneration Report.

Furthermore, under changes to the Corporations Act with the introduction of Division 9 of Part 2G.2, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Meeting, the Company will be required to put to Shareholders at the Company's 2014 Annual General Meeting a resolution **(Spill Resolution)** proposing the calling of another general meeting **(Spill Meeting)** to consider the appointment of Directors of the Company. However, the Spill Resolution will only be put to the vote at the Company's 2014 Annual General Meeting if at least 25% of votes are also cast against the adoption of the 2014 Remuneration Report at the 2014 Annual General Meeting.

If the Spill Resolution is put to the vote at the Company's 2014 Annual General Meeting, and

more than 50% of Shareholders vote in favour of the Spill Resolution, the Company is required to convene the Spill Meeting within 90 days of the Company's 2014 Annual General Meeting. All of the Directors who were in office when the Company's 2014 Directors' Report was approved, other than the Managing Director of the Company, would cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.

2.3 Professional Advice

If you have any doubt or do not understand this resolution it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

3 RESOLUTION 2: RE-ELECTION OF DIRECTOR - MR PETER SPANN

3.1 Shareholder Approval

In accordance with the requirements of clause 12.9 of the constitution of the Company, Mr. Peter Spann is retiring as a Director of the Company by rotation, and seeks re-election as a Director.

3.2 Company Constitution Requirements

Clause 12.9 of the constitution of the Company requires that one third of the Directors of the Company retire at each annual general meeting of the Company. Clause 12.9 of the constitution of the Company requires that the Directors who retire pursuant to the clause are those that have held office the longest since last being elected or appointed.

3.3 Board Recommendation

The Directors, excluding Mr. Peter Spann, unanimously recommend that Shareholders vote in favour of Resolution 2.

3.4 Professional Advice

If you have any doubt or do not understand this resolution it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

4. GLOSSARY

In this Explanatory Statement the following terms have the meaning set out below:

ACN	Australian Company Number
AEDT	Australian Eastern Daylight Time
ASIC	The Australian Securities and Investments Commission
The Company	Vertua Limited (ACN 108 076 295) of Suite 1, 102 Alexander Street, Crows Nest, NSW 2065
The Corporations Act	The Corporations Act 2001 (Commonwealth) as amended or replaced from time to time
The Corporations Regulations 2001 (Cth)	The Corporations Regulations 2001 (Commonwealth) as amended or replaced from time to time
The Directors	The directors of the Company as at the date of the Notice and Explanatory Statement
The Entitlement Time	5.00pm (AEDT) on 15 November 2013
The Explanatory Statement	The Explanatory Statement accompanying the Notice
Grant Thornton (Brisbane) or the Auditor	Grant Thornton Audit Pty Ltd (ACN 130 913 594) of 145 Ann Street, Brisbane, Queensland
The Notice	The notice convening the Annual General Meeting of Shareholders of the Company for the year ended 30 June 2013
The NSX	National Stock Exchange of Australia Limited (ACN 000 902 063) and the financial market of which it operates of Level 2, 117 Scott Street, Newcastle, NSW 2300
The NSX Listing Rules	The official listing rules of NSX and any other rules of NSX which are applicable while the Company is admitted to the official list of NSX, each as amended or replaced from time to time, except to the extent of any express written waiver by NSX
The Meeting	The Annual General Meeting of the Company to be held on 19 November 2013 at 10.00am (AEDT) at the offices of Grant Thornton, Level 19, 2 Market Street, Sydney NSW 2000
Share(s)	A fully paid ordinary share in the capital of the Company
Shareholder(s)	A person or company registered in the register of Shareholders of the Company as the holder of one or more Shares as at the Entitlement Time
Resolutions	The resolutions set out in the Notice and Explanatory Statement
Spill Resolution	The resolution required by the Corporations Act to be put to Shareholders at the 2014 Annual General Meeting of the Company proposing the calling of the Spill Meeting to consider the appointment of Directors of the Company.
Spill Meeting	The general meeting of Shareholders required to be convened by the Company within 90 days of the Company's 2014 Annual General Meeting pursuant to the Corporations Act following the approval of the Spill Resolution by more than 50% of Shareholders.