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Application for Quotation of Additional Securities

File Reference:

I:\Publications\Operating Rules\Listing Rules\Forms\NSX Quotation of Additional Securities.doc



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Introduction

To ensure the efficient processing of this form by NSX, please:

1. Adhere to the suggested number of the annexures required by this form.
2. Complete **all** statements and questions in this form. (NSX can provide an electronic version of this form on request).

More Information and Submission of Form:

Further information can be obtained from and all applications should be sent to:

General Manager
National Stock Exchange of Australia Limited
PO BOX 283
Newcastle NSW 2300

Phone: 61 2 4929 6377
Fax: 61 2 4929 1556
<http://www.nsx.com.au>

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to NSX as soon as available. Information and documents given to NSX become NSX's property and may be made public.

Introduced 11 March 2004.

Name of entity

OceanEthix International Holdings Limited

ABN/ACN

161170707

We (the entity) give NSX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | Class of securities issued or to be issued | Options |
| 2 | Number of securities issued or to be issued (if known) or maximum number which may be issued | 27,235,380, replacing advice of December 2013 of 27,300,000 due to adjustment made to vesting of Management options |
| 3 | Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion) | This Notice refers to options vested on July 1 2014 under the terms of Options approved at an AGM of 27 Nov 2013 for directors and management, with the 1 July 2014 vesting being approved at an August 2014 Board Meeting |

<p>4 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No, there are no options already listed; these options will not be listed</p>	
<p>5 Issue price or consideration</p>	<p>\$A1.00 per package (tranche) of options</p>	
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Grant of options to various Directors and management</p>	
<p>7 Dates of entering securities into uncertificated holdings or despatch of certificates</p>	<p>20 Dec 2013, 18 August 2014 for vested options</p>	
<p>8 Number and class of all securities quoted on NSX (including the securities in clause 2 if applicable)</p>	<p>Number</p>	<p>Class</p>
	<p>230,897,266</p>	<p>Ordinary</p>
<p>9 Number and class of all securities not quoted on NSX (including the securities in clause 2 if applicable)</p>	<p>Number</p>	<p>Class</p>
	<p>59,342,734</p>	<p>Ordinary Fully Paid (Two Year Escrow to 6 Aug 2015)</p>
	<p>13,617,690 \$0.04, 30 Nov 2015</p>	<p>Options as per issue of 10 Dec 2013</p>
	<p>13,617,690 \$0.04 30 Nov 2017</p>	<p>Options as per issue of 10 Dec 2013</p>
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No dividend is payable</p>	

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the securities will be offered	
14	Class of securities to which the offer relates	
15	Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	

-

You need only complete this section if you are applying for quotation of securities


(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Entities that have ticked box 34(a)

Tick to indicate you are providing the information
or documents

Not applicable

36  If the securities are equity securities, a distribution schedule of the additional securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

See schedule 2

37 ☐ A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

Nil

Not applicable

40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Not applicable

42 Number and class of all securities quoted on NSX (*including* the securities in clause 38)

[illegible]

Quotation agreement

- 1 Quotation of our additional securities is in NSX's absolute discretion. NSX may quote the securities on any conditions it decides.
- 2 We warrant the following to NSX.
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the securities to be quoted, it has been provided at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.
- 3 We will indemnify NSX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give NSX the information and documents required by this form. If any information or document not available now, will give it to NSX before quotation of the securities begins. We acknowledge that NSX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date:17 August 2014.....
(Director/Company secretary)

Print name:Derek Condell

Schedule 1 – question 35

TERMS OF THE OPTIONS:

The options:

- will not be listed,
- application will be made to the NSX for quotation of the new shares, being those that are converted from the Options, being applications
 1. for series 1 options, 30 November 2015, and
 2. for series 2 options, 30 November 2017

Other terms of the options are:

1. All participants must pay \$1 for their package of options shortly after the vesting date
2. As European options, they may be exercised on or within 7 days before the exercise date.
3. Vesting terms: The options vest as follows:
 - a. Upon approval by the Members, for one-third,
 - b. Or for the balance of two-thirds of the options, a package of one third on each of the dates nominated (eg, 1 July 2014) subject to the person being engaged or employed as a Director, secretary or employee on that date
 - c. a/ and b/ being subject to payment by the person of \$1 per tranche per series within one month of the date of vesting: ie, \$1 needs to be paid per series, per tranche so as to have both series vested to the person
4. the strike / exercise price of the options is \$0.04
5. the company shall seek, immediately after the exercise date of the November 2015 series of options, a listing date for any options converted to shares,
6. the company shall seek, immediately after the exercise date of the November 2017 series of options, a listing date for any options converted to shares.