Vertua Limited

ACN 108 076 295

NOTICE OF EXTRAORDINARY GENERAL MEETING

AND

EXPLANATORY STATEMENT

DATE AND TIME OF MEETING

Monday, 8 February 2016 at 9:00am (AEDT)

VENUE

Carrington Forsyth
Level 5, 97 Pacific Highway
North Sydney NSW 2060

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 adviser.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Vertua Limited ACN 108 076 295 (the **Company**) will be held on Monday, 8 February 2016, at 9:00 am (AEDT) at Carrington Forsyth, Level 5, 97 Pacific Highway, North Sydney, New South Wales 2060 (the **Meeting**).

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

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

SPECIAL BUSINESS

Resolution 1: Approval of change in nature or scale of activities

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

> *That for the purposes of NSX Listing Rule 6.41 and for all other purposes, approval be given to the significant change in the nature or scale of activities of the Company described in the Explanatory Statement that accompanies this Notice of Meeting.*

Voting exclusion statement

All shareholders may vote on this resolution.

Resolution 2: NSX LR 6.43 approval of acquisition of substantial asset – JPH shares

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

> *That for the purposes of NSX Listing Rule 6.43, approval is given for Vertua Investments Limited, a wholly-owned direct subsidiary of the Company, to acquire all of the issued share capital of Joe Public Holdings Pty Ltd ABN 31 164 946 712 under the Share Sale Agreement described in the Explanatory Statement that accompanies this Notice of Meeting.*

Voting exclusion statement

All shareholders may vote on this resolution.

Resolution 3.1: Chapter 2E approval of acquisition of JPH shares from Manning Related Parties

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

> *That for the purposes of Chapter 2E of the Corporations Act 2001, approval is given for Vertua Investments Limited, a wholly-owned direct subsidiary of the Company, to acquire from the Manning Related Parties 2,000,517 JPH Shares at a purchase price of $1.1966 per JPH Share ($2,393,802.85 in total) to be satisfied by the issue of 17,655,100*

Convertible Notes under the Share Sale Agreement and Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting.

Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 3 by a Manning Related Party and its associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Manning Related Party or any of its associates.

Resolution 3.2: Chapter 2E approval of acquisition of JPH shares from Doyle Related Parties

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

> *That for the purposes of Chapter 2E of the Corporations Act 2001, approval is given for Vertua Investments Limited, a wholly-owned direct subsidiary of the Company, to acquire from the Doyle Related Parties 756,235 JPH Shares at a purchase price of $1.1966 per JPH Share ($904,904.83 in total) to be satisfied by the issue of 6,032,699 Convertible Notes under the Share Sale Agreement and Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting.*

Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 3 by a defined Doyle Related Party and its associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a defined Doyle Related Party or any of its associates.

Resolution 4.1: Takeovers provisions approval of issue of shares to Manning Family Associates

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

> *That for the purposes of section 611, item 7 of the Corporations Act 2001, approval is given for the Manning Family Associates to be issued up to 17,655,100 Vertua Shares on the conversion of up to 17,655,100 Convertible Notes issued on the terms of the Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting, each such Convertible Note having an issue price of $0.15 and a Nil conversion right exercise price, and a maximum resultant 49.2% voting power for the Manning Family Associates in the Company.*

Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 4.1 by a Manning Family Associate and its associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and

- it is not cast on behalf of a Manning Family Associate or any of its associates.

Resolution 4.2: Takeovers provisions approval of issue of shares to Dossor Family Associates

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

> *That for the purposes of section 611, item 7 of the Corporations Act 2001, approval is given for the Dossor Family Associates to be issued up to 15,468,458 Vertua Shares on the conversion of up to 15,468,458 Convertible Notes issued on the terms of the Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting, each such Convertible Note having an issue price of $0.15 and a Nil conversion right exercise price, and a maximum resultant 28.6% voting power for the Dossor Family Associates in the Company.*

Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 4.2 by a Dossor Family Associate and its associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Dossor Family Associate or any of its associates.

Resolution 4.3: Takeovers provisions approval of issue of shares to the Doyle Family Associate

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

> *That for the purposes of section 611, item 7 of the Corporations Act 2001, approval is given for the Doyle Family Associate to be issued up to 6,032,699 Vertua Shares on the conversion of up to 6,032,699 Convertible Notes issued on the terms of the Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting, each such Convertible Note having an issue price of $0.15 and a Nil conversion right exercise price, and a maximum resultant 11.4% voting power for the Doyle Family Associate in the Company.*

Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 4.3 by a Doyle Family Associate and its associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Doyle Family Associate or any of its associates.

Resolution 5: NSX LR 6.25 and 6.44 approval of issue of shares

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

> *That for the purposes of NSX Listing Rules 6.25 and 6.44, approval is given for the Company to issue fully paid class A ordinary shares to each named JPH Shareholder*

under and on the terms and conditions of the Share Sale Agreement and the Convertible Notes Subscription Agreement described in the Explanatory Statement that accompanies this Notice of Meeting.

Voting exclusion statement

All shareholders may vote on this resolution.

BY ORDER OF THE BOARD

Christopher Bregenhoj
Chairman

21 December 2015

IMPORTANT INFORMATION

Voting Entitlement

For the purpose of regulation 7.11.37 of the *Corporations Regulations 2001*, 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 5.00 pm (AEDT) on Saturday, 6 February 2016 (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 as shareholders. Transactions registered after that time will be disregarded in determining Shareholders entitled to attend and vote at the Meeting.

Required Majorities

In accordance with the *Corporations Act 2001*, for the Resolutions to be effective:

- the resolutions must be passed at a meeting of which not less than 28 days' written notice has been given; and
- in the case of an **ordinary resolution**, the resolution must be passed by **more than 50%** of the votes cast by Shareholders present and entitled to vote on the resolution, whether in person or by proxy, attorney or representative; and
- in the case of a **special resolution**, the resolution must be passed by **at least 75%** of the votes cast by Shareholders present and entitled to vote on the resolution, whether in person or by proxy, attorney or representative.

Voting rights

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 held in the capital of the Company.

Proxies

A Proxy Form accompanies this Notice. A Shareholder entitled to attend and vote at the Meeting may appoint a proxy. A proxy need not be a member of the Company. 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.

To be valid, the proxy form must be received by the share registrar of the Company, Link Market Services Limited, by no later than 9:00am (AEDT) on Saturday, 6 February 2016 (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 enquires in relation to the Meeting, the Notice or the Explanatory Statement should be directed to the Chairman, Mr Christopher Bregenhoj, on +61 2 8624 6160.

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the benefit of Shareholders in accordance with the applicable provisions of the NSX Listing Rules, the *Corporations Act 2001* and published ASIC Regulatory Guides to provide them with sufficient information to ensure that they are informed of all substantial matters relevant to the resolutions proposed to be considered at the meeting.

The meeting has also been convened to consider special business associated with the announced agreement to acquire Joe Public Holdings Pty Ltd ABN 31 164 946 712, which company is referred to in this Explanatory Statement as **JPH**.

Overall, the transactions the subject of the resolutions to be considered at the meeting concern an independently assessed acquisition of a company from JPH's Shareholders, amongst whom are counted:

- interests controlled or related to two of the three directors of the Company, Managing Director Mr James Manning and Director Mr Ben Doyle; and

- Holicarl Pty. Limited, a company who itself is a substantial holder and of which substantial shareholders Mr David and Mrs Ruth Dossor are shareholders,

each in consideration for the separate issue to them of Convertible Notes issued by the Company, convertible into the Company's main class of voting shares, with the conversion and other rights described in this Explanatory Statement.

Shareholders are invited to read this Explanatory Statement in full. Its individual sections do not give a comprehensive review of all the resolutions. Further, this Explanatory Statement should be read in conjunction with the Notice of Meeting and the Glossary that appears at the end of the Explanatory Statement, where various terms used in both the Notice and this Explanatory Statement are defined. Additionally, accompanying these materials and for the assistance of shareholders, is an Independent Expert's Report. In his report, the expert has formed the opinion that the Acquisition is fair and reasonable.

If you are in any doubt about what to do in relation to the resolutions set out in the Notice, we suggest that you seek advice from your accountant, solicitor or other professional adviser.

Unless otherwise stated, all references in this Explanatory Statement to sums of money, '$' and 'dollars', are references to Australian currency.

SPECIAL BUSINESS

The special business to be considered at the meeting is to consider a number of resolutions and give approvals for transactions, share issues on exercise of conversion rights and financial benefits connected with the purchase (the **Acquisition**) by the Company's wholly-owned subsidiary, Vertua Investments Ltd (**Investments**), of all the shares on issue in JPH.

JPH is a proprietary company that was incorporated on 23 July 2013 with the objective of building a boutique property business focussing on the acquisition and development of residential property in Australia (the **Business**).

JPH aims to either solely or jointly acquire residential property development sites to redevelop and sell them at a profit. In 2014, its wholly-owned subsidiary, Fiducia Group Pty Ltd ACN 600 324 383 (**FG** or **Fiducia**), acquired the business to provide project management services to both JPH and third parties in the development of such sites. Fiducia is a recent winner in the 2015 Housing Industry Australia CSR NSW Housing & Kitchen & Bathroom Awards, in the categories Apartment Complex of the Year 2015 for its Drummoyne project and Business Partner of the Year 2015, for Fiducia principal, Marie Doyle.

JPH's and Fiducia's business is very much aligned to the Company's own, and there are seen to be scale, synergistic and other benefits for the Company and its shareholders in bringing the JPH and Fiducia business and undertaking under the Company roof. These are assessed and discussed elsewhere in this Explanatory Statement and in the accompanying independent expert's report.

JPH is the holding company of four wholly-owned subsidiaries:

- again, FG or Fiducia, which acts as the holding company for the Fiducia business and employs all staff and operates the business on a day-to-day basis;

- Fiducia Property Group Pty Ltd ACN 600 580 729 (**FPG**), which holds shares in special purpose vehicle trustee companies, including for development projects undertaken with third parties;

- FPG Powell Pty Ltd ACN 605 704 176 (**FPGP**), which acts as the trustee of the FPG Powell Unit Trust and which is undertaking a development in Homebush, NSW; and

- Fiducia Development Group Pty Ltd ACN 152 129 121 (**FDG**), which company contracts with third party funders and joint venturers on a variety of projects.

In particular, at the EGM, approvals will be sought from shareholders:

- for a significant change in the nature or scale of the Company's activities (resolution 1);

- for the acquisition of the JPH shares as the acquisition of a substantial asset (resolution 2);

- for the giving of a financial benefit to related parties of the Company by reason of their relationship with Mr James Manning, the Company's Managing Director, as part of the Acquisition (resolution 3.1);

- for the giving of a financial benefit to related parties of the Company by reason of their relationship with Mr Ben Doyle, a Director of the Company, as part of the Acquisition (resolution 3.2);

- for the purposes of the takeover provisions of the *Corporations Act 2001*, the issue of Shares on exercise of rights of conversion in Convertible Notes to be issued under the Subscription Agreement, to Manning Family Associates, as the sole consideration to be provided under the Share Sale Agreement and as discussed further in this Explanatory Statement (resolution 4.1);

- for the same purposes and in the same circumstances, the issue of Shares to the Dossor Family Associates (resolution 4.2);

- for the same purpose and in the same circumstances, the issue of Shares to the Doyle Family Associate (resolution 4.3); and

- for the purposes of NSX LR 6.25 and 6.44 and in respect of each JPH Shareholder selling its JPH Shares to Investments as part of the Acquisition, the issue of Shares as a Convertible Note holder on exercise of a right of conversion of Convertible Notes issued under the Convertible Notes Subscription Agreement as the sole consideration to be provided under the Share Sale Agreement and as discussed further in this Explanatory Statement (resolution 5).

This Explanatory Statement details below the Acquisition and matters prescribed for disclosure by the *Corporations Act 2001*, applicable ASIC Regulatory Guides and the NSX Listing Rules, where approvals of the nature sought are submitted to shareholders for consideration. Disclosures are made for each resolution in turn.

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1. Resolution 1: Approval of change in nature or scale of activities

1.1 Background

Discussed below is the background to the proposed change in the Company's nature or scale of activities.

1.2 NSX LR 6.41

NSX LR 6.41 empowers NSX, in relation to a proposed significant change in the nature or scale of the activities of a company listed on the NSX, to, amongst other things, require the Company to seek and obtain the approval of its shareholders to the change.

The acquisition by the Company of all the JPH Shares as part of the Acquisition has been determined by NSX to involve a significant change to the nature or scale of the Company's activities. Following submissions and discussions with NSX, NSX has exercised its discretion to require the change to be approved by the Company's Shareholders under NSX LR 6.41. though NSX did not disclose its reasons for so exercising its discretion, by reason of the Acquisition, Vertua's consolidated net assets as at 31 March 2015 would have increased from $824,879 to $5,647,155, and that Vertua's consolidated annualised losses for the period from 1 July 2014 to 31 March 2015 would have increased from ($111,401) to ($303,365).

The Acquisition will also see Vertua's consolidated asset and business mix returning more to its historical focus, with a greater concentration on the redevelopment residential property.

If resolution 1 is passed, then the Company will have complied with this requirement. Information regarding the Acquisition and its effect on the Company is set out below.

1.3 Guidance on NSX LR 6.41

NSX does not publish guidance on how it applies NSX LR 6.41 to proposed significant changes in the nature or scale of a listed company's activities.

1.4 Guidance on equivalent ASX Listing Rule

ASX has, however, published guidance on the nearest equivalent ASX Listing Rule to NSX LR 6.41. That listing rule is ASX LR 11.1 and ASX Guidance Note 12, *Significant Changes to Activities*, is the relevant listing rule. Discussed below are, amongst other things, matters addressed in that Guidance Note.

1.5 The Acquisition

On 15 October 2015, Vertua Investments Ltd (**Investments**) entered into a Share Sale Agreement with the JPH Shareholders to conditionally acquire all shares on issue in JPH.

The Share Sale Agreement is subject to the following conditions precedent for the benefit of the following parties:

No.	Condition	For benefit of
1	Shareholder approval under NSX Listing Rule 6.41 of proposed change in nature or scale of activities in consequence of the Buyer's acquisition of the JPH Shares under the Share Sale Agreement.	Buyer and Sellers
2	Shareholder approval under NSX Listing Rule 6.43 in consequence of the acquisition of the JPH Shares.	Buyer and Sellers
3	Separate shareholder approvals for the purposes of Chapter 2E of the *Corporations Act 2001* of such of the JPH Shares as are held by related parties of the Company through, first, Managing Director Mr. James Manning, and, secondly, Director Mr. Ben	Buyer and Sellers

	Doyle	
4	Separate shareholder approvals under s611, item 7 of the *Corporations Act 2001* of the issue of any Shares on completion of the acquisition of the JPH Shares and on any exercise of its rights of conversion under the Convertible Notes for, first, Mr. James Manning and his associates; secondly, Holicarl Pty. Limited and its associates; and, thirdly, Mr. Ben Doyle and his associates	Buyer and Sellers
5	Shareholder approval under NSX LR 6.25 and 6.44 of the issue of Vertua Shares under the Share Sale Agreement and the Convertible Notes Subscription Agreement	Buyer
6	Such other shareholder approvals as may be required by the NSX Listing Rules, by the *Corporations Act 2001* or otherwise by law.	Buyer

The purchase price agreed for the JPH Shares is in aggregate $6,000,000. The purchase price will be fully satisfied by the issue to the JPH Shareholders as sellers of 40,000,000 Convertible Notes. No cash payment will be made at completion of the sale and purchase of the JPH Shares.

Completion of the Acquisition has been agreed to occur five business days after the satisfaction or waiver of all conditions precedent to the sale and purchase, or such other date as the parties agree, and is anticipated to occur in December 2015.

JPH's present primary focus is the development of residential property in New South Wales, and in particular in Sydney within 10 km of the Sydney Central Business District. The business has been growing organically for some years and has been profitable in its own right each year since incorporation. The business, which is located in Sydney, and has four transferring employees, had actual turnover of approximately $572,000 and a loss before tax and extraordinary items of $191,964 in the financial year ended 31 March 2015. The Acquisition should see the Company's total assets increase by $4,822,276 and Group annual profit before tax and extraordinary items increase in the current financial year by more than $500,000.

1.6 Other acquisition and financing options considered

The Company considered other finance options, including the use of debtor discounting facilities, to assist in the funding of working capital and the Acquisition during the due diligence period. It was determined however by the Company that such alternatives were not suitable for the JPH business under the ownership of the Company for a variety of factors, including but not limited to: the cost of the finance, the impact on the day-to-day management and that reporting to an external third party financier, would be too costly and would adversely impact the operations of JPH, with a potential material detriment to the financial performance of the Group.

The Company also considered undertaking a capital raising, however the Board believes that until such time that the financial position and direction of Vertua is clearly established with the market, the opportunity to raise capital without a significant dilution on existing shareholders is limited.

1.7 Historical and current nature and scale of activities of the Group

1.7.1 As at 31 March 2015

The principal activities of the Group during the reporting period ended 31 March 2015 were described in its 2015 Annual Report released to the market on 2 July 2015 as the development and sale of, either directly or through a subsidiary, parcels of residential real estate in accordance with the real estate mandate of the Group.

1.7.2 As at 22 September 2015

On 22 September 2015, a diversification of the Group business was occasioned by Investments' acquisition of Horizon Print Management Pty Ltd (**HPM**), a print brokerage business.

1.7.3 Current position

Vertua's current substantial holders comprise:

- Holicarl Pty. Limited ACN 081 781 802 (**Holicarl**), together with Mr David Malcolm Dosser and Mrs Ruth Dianne Dossor (the **Dossors**)
- Lily Bordeaux Pty Limited ACN 126 275 250 (**Lily Bordeaux**)
- Manning Custodian Pty Ltd ACN 168 388 163 (**Custodian**)
- Woodville Pty Limited ACN 149 955 180 (**Woodville**), and
- Ms Georgina Gail Manning (**Georgina Manning**),

(collectively, the **Current Substantial Holders**).

Holicarl and the Dossors have been notified to the Company pursuant to s671B of the *Corporations Act 2001* as being associates of one another for the purposes of Chapter 6, the takeovers provisions, of the *Corporations Act 2001*.

Similarly, Custodian, Woodville and Ms Georgina Manning have also been notified to the Company pursuant to that section as being associates of one another for the purposes of those provisions.

There are no other persons currently known to the Company who are substantial holders in the Company's Shares.

The Current Substantial Holders' registered holdings and bases of association were set out in a Form 603, *Notice of initial substantial holder* dated 17 April 2015 and a Form 604, *Notice of change of interests of substantial holder* dated 25 November 2015 and a Form 603, *Notice of initial substantial holder* dated 15 December 2015 given to the Company. A copy of each Form is available from the NSX website.

Set out below is a description of, amongst the Current Substantial Holders, the holders of relevant interests in the Company, the nature of their relevant interests, the present registered holders and the nature of the associations between them, as extracted from those Forms.

Holders and nature of relevant interests

Holder of relevant interest	**Nature of relevant interest**	**Class and number of securities (%)**
Holicarl	Registered holder	Class A, 1,590,900 (16.1%)
The Dossors	Each a 50% shareholder in Holicarl	Class A, 1,590,900 (16.1%)
Lily Bordeaux	Registered holder	Class A, 745,451 (7.6%)
Custodian and Woodville	Registered holders and associates by acting in concert with one another	Class A, 1,956,259 (19.8%)
Georgina Manning	Sole shareholder in Custodian and Woodville	Class A, 1,956,259 (19.8%)

Present registered holders

Holders of relevant interests	**Registered holder of securities**	**Person entitled to be registered as holder**	**Class and number of securities**
Holicarl	Holicarl	Holicarl	Class A, 1,590,900 (16.1%)
The Dossors	Holicarl	Holicarl	Class A, 1,590,900 (16.1%)
Lily Bordeaux	Lily Bordeaux	Lily Bordeaux	Class A, 745,451 (7.6%)

Custodian	Custodian	Custodian	Class A, 1,525,616 (15.5%)
Woodville	Woodville	Woodville	Class A, 399,276 (4.0%)
Georgina Manning	Custodian and Woodville	Custodian and Woodville	Class A, 1,956,259 (19.8%)

Associations

Name	**Nature of association**
The Dossors	Each has a 50% shareholding in Holicarl
Custodian	Acts in concert with Woodville
Woodville	Acts in concert with Custodian
Georgina Manning	As sole shareholder in each of Custodian and Woodville, Georgina Manning controls each of them.

1.7.4 ***Shares currently on issue and market capitalisation***

Vertua currently has three directors in office and 9,873,275 fully paid "A" class ordinary shares (each, a **Share**) on issue. As at 31 March 2015,Vertua had 350,000 options on issue (note 28, page 41 of the Vertua Annual Report). Further options were issued on 22 September 2015 which on exercise would result in the issue of up to 9,700,000 Shares, or a lesser number of Shares equal to: the loan moneys then outstanding under a secured loan agreement divided by the exercise price of $0.1485 but so as not to exceed 49.9% of all shares on issue in Vertua.

As at 18 December 2015, the closing price for Vertua Shares traded on NSX was $0.10 per Vertua Share. Vertua's closing share price per Share on NSX was in the six months preceding that date at its highest at $0.10, and at its lowest at $0.05 per Share. Accordingly, Vertua's market capitalisation over that period has been between approximately $493,660 and $987,373.

Audited consolidated financial statements for Vertua, comprising a profit and loss statement for the current financial year up to and balance sheet as at 31 March 2015 are laid out in the Annual Report. As at 31 March 2015, Vertua had consolidated total equity of $824,879.

On 22 September 2015, Vertua announced that Investments had completed its acquisition of all of the shares on issue in HPM. As Vertua had been in effective control of HPM since 1 March 2015, and most relevantly as at 31 March 2015, HPM's assets and liabilities were included in the Vertua consolidated statement of financial position as at 31 March 2015.

JPH's issued shares are currently owned as set out below:

Name	**Shares**	**Percentage**
Holicarl	1,939,064	38.7%
Lily Bordeaux	756,235	15.1%
Woodville	141,023	2.8%
Custodian	1,859,494	37.1%
Wealth Holdings	318,424	6.4%

JPH has two directors, both of whom are also Vertua directors, and in aggregate 5,014,240 fully paid ordinary shares on issue. JPH has no options on issue.

At 31 March 2015, according to the statement of financial position that appears in its unaudited[1] financial statements as at that date, JPH had total equity of $4,822,276.

The total equity of JPH at that date exceeded Vertua's total equity.

For the 9 months ended 31 March 2015, Vertua:

- had consolidated net assets of $824,879;
- had consolidated losses of ($83,551) – annualised: ($111,401);
- had consolidated expenses of $919,882 – annualised: $1,239,843; and
- had consolidated revenues of $755,362 – annualised: $1,007,149.

For the full financial year (the 12 months) ended 31 March 2015, JPH:

- had consolidated net assets of $4,822,276;
- had a consolidated annual net loss before and after income tax expense of $(191,964);
- had consolidated annual expenses of $574,334; and
- had consolidated annual revenues of $766,298.

Expressed on an annualised basis as presented above and in percentage terms, for the financial year ended 31 March 2015, JPH's:

[1] Please note that unless otherwise stated all amounts concerning JPH in this section 1.7.4 are either taken from or based upon JPH's unaudited consolidated financial statements for the 9 months to 31 March 2015.

- consolidated net assets were 585%;
- consolidated annual net losses were 172%;
- consolidated annual expenses were 46.3%; and
- consolidated annual revenues were 76.1%,

of Vertua's comparable financial position and financial results.

Expressed on an annualised basis as presented above and in percentage terms, for the financial year ended 31 March 2015, JPH's:

- consolidated net assets were 85.4%;
- consolidated annual net losses were 63.3%;
- consolidated annual expenses were 31.7%; and
- consolidated annual revenues were 44.0%,

of the merged entity's comparable financial position and financial results.

Under the Acquisition, Vertua will acquire under a Share Sale Agreement and a Convertible Notes Subscription Agreement all of the issued share capital of JPH for a consideration of $6,000,000, satisfied by the issue of 40,000,000 Convertible Notes, with an issue price of $0.15 each and a nil exercise price for conversion, and with the other attributes described in section 3.5.2 below.

The Acquisition would initially result in:

- there continuing to be 9,873,275 Shares on issue in Vertua; and
- former JPH net assets would represent 85.4% of the merged Vertua consolidated assets of $5,647,155, using values as at 31 March 2015.

Since 31 March 2015 and based on audited accounts up to 30 September 2015 (the latest available figures), Vertua's Year to Date (**YTD**):

- profits from ordinary activities after related income tax were $123,297;
- expenses were $8,475,936; and
- revenues were $8,637,333.

For that period for JPH and based on management accounts, its YTD:

- profits were approximately $500,000;
- expenses were approximately $650,000; and
- revenues were approximately $1,150,000.

Applying those profits to the consolidated assets of JPH and Vertua as at 30 September 2015:

- Vertua had consolidated net assets of $948,176;
- JPH had consolidated net assets of approximately $5,352,447; and

- resulting in total consolidated assets of approximately $6,300,623.

Further, as at 30 September 2015, applying those profits to the consolidated assets of JPH and Vertua:

- consolidated YTD profits were approximately $623,297;
- consolidated YTD expenses were approximately $9,125,936; and
- consolidated annual revenues were approximately $9,787,333.

Expressed as a percentage as at 30 September 2015, JPH's:

- consolidated net assets were 84.9%;
- consolidated annual profits were 80.2%;
- consolidated annual expenses were 7.1%; and
- consolidated annual revenues were 11.7%,

of the merged entity's comparable financial position and financial results.

Accordingly, the merged entity[2], when compared to Vertua pre-merger:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and
- would have an increase in revenue in excess of the resultant increase in expenses.

Each of these comparisons suggest to the Vertua Board a strong business case to proceed with the merger, with the benefits that it brings to both Vertua and its shareholders.

On 15 October 2015, the Company made an announcement to the NSX outlining at a high level the terms of the Share Sale Agreement. Further announcements to the NSX may have been made since. They may be found on the NSX Website.

Further information on and a discussion of the financial position of the Company and the Group, including once the Acquisition has been completed, is set out in the accompanying independent expert's report. The report should be considered in its entirety.

1.8 Proposed nature and scale of activities of the merged entity

The Acquisition will, if approved, initially result in:

- there continuing to be 9,873,250 Shares on issue in Vertua;

[2] Please note that the following statements are derived solely from the figures referenced above in this section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance.

- JPH Shareholders holding Convertible Notes for the issue of a further 40,000,000 Shares, issued at the time of the JPH Acquisition;
- former JPH net assets representing 85.1% of the merged Vertua consolidated assets ($5,665,155), using values as at 31 March 2015;
- former JPH net assets representing 84.9% of the merged Vertua consolidated assets ($6,300,623), using values as at 30 September 2015;
- Manning Group continuing to hold 9,700,000 options to acquire on exercise 9,700,000 Shares;
- additional debt of between $50,000 and $500,000 being taken on by the Company;
- the Company acquiring an asset, namely all the shares on issue in JPH, for which Investments would have paid or provided to the JPH Shareholders equivalent to $6,000,000 by the issue of Convertible Notes; and
- the principal activities of the Group changing in their weighting more towards its traditional core business, property development, though still comprising property development and investment.

1.9 Vertua Share history

At close of trading on NSX on 18 December 2015, Vertua's quoted share price for its Shares was $0.10. Trading in Vertua Shares on the NSX in recent months has been sparse and constant at this price since 13 August and before that the Vertua share price was constant at $0.05 since 10 February 2015.

Earlier and more current share prices for Vertua Shares traded on the NSX may be sourced from the NSX Website.

1.10 No proposed changes to the Vertua Board

No changes are proposed to be made to the Vertua Board as a result of the Acquisition.

1.11 Post-Acquisition business model

On 3 July 2015, Vertua issued a general update on its activities to the market, stating that it had invested in a project being run by Fiducia. On 22 September 2015, Vertua announced it had completed the Horizon Print Management acquisition and that it was trading in line with expectations. Additionally, Vertua has taken a minority position in a joint venture to develop a residential project at Homebush, New South Wales.

The project involves a commitment of approximately $500,000, of which Fiducia has paid $350,000 to date. The project has a number of milestones to complete, including the approval of a Development Application, which is currently before council. Subject to the successful approval of the Development Application, and based on the correspondence, including a feasibility study and financial model from Fiducia Group, Vertua believe that the project will be profitable and deliver a good return on the capital invested.

Otherwise, Vertua is not actively looking for projects at this point. It is reviewing existing opportunities, but given the limited capital is restricted in what it can buy or joint venture into.

1.12 Financial effect of the Acquisition on Vertua

1.12.1 Total equity interests

Prior to agreeing to undertake the Acquisition, the current shareholders of Vertua collectively held 9,873,275 Vertua Shares.

Upon completion of the Acquisition, and if all JPH Shareholders were to exercise their right to convert all of the Convertible Notes to be issued by Vertua under the Convertible Notes Subscription Agreement, a further 40,000,000 Shares would be issued, in addition to the 9,700,000 2015 Options that were issued to Manning Group as part of the 22 September 2015 acquisition of the HPM print brokerage business. In that event, the capital structure of Vertua would be as follows:

Vertua Shares	**Number**	**% Interest** (on a fully diluted basis)
Vertua Shares currently on issue	9,873,275	16.6%
Options issued to Manning Group for HPM acquisition (**2015 Options**)	9,700,000	16.3%
Total Vertua Shares on issue should all 2015 Options be exercised	19,573,275	32.9%
Convertible Notes issued to JPH Shareholders	40,000,000	67.1%
Vertua Shares issued to JPH Shareholders should they all exercise their rights of conversion under the Convertible Notes	59,573,275	100%

Focussing on Vertua Shareholder and their percentage Shareholdings before and after each of: (1) the exercise of the 2015 Options; and (2) the exercise of conversion rights under the Convertible Notes, the dilutive effect of successive Share issues is represented in the table below:

	Shares held	**Total Shares on issue**	**% of Shares on issue held**
Current Vertua Shareholders	9,873,275	9,873,275	100%

Current Vertua Shareholders on exercise of 2015 Options	9,873,275	19,573,275	50.4%
Current Vertua Shareholders on exercise of Convertible Notes and 2015 Options	9,873,275	59,573,275	16.6%

Approval of the issue of Shares on the exercise of Convertible Noteholders' conversion rights under the Convertible Notes issued to JPH Shareholders under the Share Sale Agreement and the Convertible Notes Subscription Agreement are addressed in detail in this Explanatory Statement in its discussion of the balance of the resolutions.

1.12.2 *Total assets and cash and cash equivalent assets*

Vertua's total equity as at 31 March 2015 was $824,879, with cash and cash equivalent holdings of $351,879. The total equity of the merged entity as at 30 September 2015 was $6,300,623 and Vertua's merged cash and cash equivalent holdings, as at 30 September 2015 is estimated to be $916,000.

1.12.3 *Substantial holders*

The position of Vertua's current substantial holders as notified to the Company is set out in section 1.7.3 above. Of and amongst these persons, the present registered Shareholders in the Company and the nature and extent of their associations is set out below.

Present registered holders

Holders of relevant interests	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities held
Holicarl	Holicarl	Holicarl	Class A, 1,590,900 (16.1%)
The Dossors	Holicarl	Holicarl	Class A, 1,590,900 (16.1%)
Lily Bordeaux	Lily Bordeaux	Lily Bordeaux	Class A, 745,451 (7.6%)
Custodian	Custodian	Custodian	Class A, 1,525,616 (15.5%)

Woodville	Woodville	Woodville	Class A, 399,276 (4.0%)
Georgina Manning	Custodian and Woodville	Custodian and Woodville	Class A, 1,956,259 (19.8%)

Associations

Name	**Nature of association**
The Dossors	Each has a 50% shareholding in Holicarl
Custodian	Acts in concert with Woodville
Woodville	Acts in concert with Custodian
Georgina Manning	As sole shareholder in each of Custodian and Woodville, Georgina Manning controls each of them.

Additionally there are currently 9,700,000 2015 Options on issue, all of which are held by Manning Group. If all of those 2015 Options were exercised and the rights of conversion under all the Convertible Notes to be issued to the current JPH Shareholders on completion of the Acquisition were exercised, and there were no other movements in the holdings of Current Substantial Holders, the substantial holders in Vertua, the nature of their relevant interests and in respect of Shares in the Company would comprise:

Holder of relevant interest	**Nature of relevant interest**	**Number of securities (%)**
Holicarl	Registered holder	17,059,358 (28.6%)
The Dossors	Each a 50% shareholder in Holicarl	17,059,358 (28.6%)
Custodian and Woodville	Registered holders and associates by acting in concert with one another; also see also entry for Manning Group below	27,615,215 (46.4%)

Georgina Manning	Sole shareholder in Custodian and Woodville	27,615,215 (46.4%)
Manning Group	Registered holder; acts in concert with Custodian and Woodville	27,615,215 (46.4%)
Lily Bordeaux	Registered holder	6,778,150 (11.4%)
Wealth Holdings	Registered holder	2,801,410 (4.7%)

1.13 Financial effect of the Acquisition on shareholders

The Acquisition contemplates the acquisition of JPH as a wholly-owned subsidiary of Investments and as part of the Group. Your directors are of the view that the net assets of the Group will not diminish as a result of the Acquisition.

The JPH business, which is located in Sydney, and has four transferring employees, had actual turnover to 30 September 2015 of approximately $1,150,000 and profit before tax and extraordinary items of approximately $500,000.

1.14 Post-Acquisition dividend policy

Your Directors are of the view that the Acquisition will not change the Company's existing dividend policy.

1.15 Short-term borrowing and fundraising needs

Your directors are confident that the Acquisition will be self-funding. As a result, no change is expected to the short-term borrowing and fundraising needs of the Group.

1.16 Taxation considerations

1.16.1 Taxation considerations – for Vertua

Your Directors have taken advice on the taxation considerations for Vertua in relation to the Acquisition. In summary, the tax considerations for Vertua are as follows:

Availability of Losses

The following position is true for the Company regardless of whether the Acquisition occurs or not. Shareholders should accordingly carefully read and understand the availability of the losses and how their and other shareholder actions can impact the financial position of the Company.

Under the proposal before shareholders, the transaction will see Investments acquire JPH and, subject to how the Acquisition is financed, there is a potential for JPH to access a portion of the tax losses available to the Group.

The transaction, by which JPH is acquired, under Subdivision 124-M of the *ITAA 1997*, will result in the potential for existing Vertua Shareholders being diluted by over 50%. In order to apply carry forward tax losses, the Company must maintain at least 50% continuity of ownership between, broadly, the loss year and the end of the recoupment year. This is known as the "continuity of ownership test" (**COT**). Failing this, the Company can rely on the test known as the "same business test" (**SBT**):

Continuity of Ownership Test

Special rules apply in relation to widely held companies (such as companies listed on an approved stock exchange) such that shareholders holding less than 10% are treated as a single notional shareholder for the purposes of the COT.

Ordinarily, dilution below the 50% threshold would result in a company failing the COT. However, as Vertua is widely held, the notional shareholder rules should apply to Vertua to ensure that the COT is satisfied both before and after any scrip transaction. However, this can only be determined based on all the relevant facts at the time of the proposed transaction.

Where the COT is failed, a company can still apply its carry-forward losses if it satisfies the "same business test". However, if the COT is failed on these facts, it is possible that Vertua would also fail the SBT (as the ATO takes a very strict view as to whether a business is the "same" in this context). If both the COT and SBT are failed, then Vertua's carry forward losses will not be available.

Same Business Test

Where the company fails the COT, they may elect to apply the "same business test", this test is far harder to satisfy and there is a potential that Investments and in turn that Vertua would fail the SBT as a result of this transaction.

Consolidated Tax Group

The company is not a member of a consolidated tax group. Advice has been sought on the formation of a consolidated tax group, and a tax sharing agreement between Investments and JPH. The company and its advisors have not yet formed a view with respect of the formation of a consolidated tax group.

1.16.2 ***Stamp duty***

As JPH is taken to be incorporated in Victoria, no stamp duty is payable by Investments on the acquisition of the JPH Shares. No stamp duty is payable on the Vertua Shares or the Convertible Notes to be issued on completion of the Acquisition.

1.16.3 *Nature of taxation disclosures, advice and certainty*

These taxation disclosures are of a general nature only; not an exhaustive analysis of all potential tax implications relevant to the proposed transaction; and not intended to be legal, accounting, financial product or taxation advice and should not be relied upon as such.

1.17 Advantages and disadvantages of the Acquisition

Set out below is a statement of the principal advantages and disadvantages of the Acquisition.

None of what is said below is intended to be, nor should be taken to constitute, financial product advice of either a general or a specific nature. Neither Vertua nor its Directors is qualified to give any such advice nor is any of them the holder of an appropriate Australian Financial Services (**AFS**) licence that permits them to give any such advice. Shareholders should consider taking their own legal, taxation and financial advice on the proposal.

1.17.1 *Principal advantages*

The Board believes that the Acquisition will be advantageous to Vertua and will provide the Company with the following principal benefits:

(a) in JPH, a strong and steady operating business with growth prospects; and

(b) a further opportunity to begin to unlock existing shareholder value from accumulated tax losses.

The independent expert in section 11.2 (page 31) of its report has also listed a number of potential advantages of the Acquisition.

1.17.2 *Principal disadvantages*

The following may be considered to be potential disadvantages of the Acquisition:

(a) a sizeable dilution of existing shareholder base;

(b) if all the 2015 Options were exercised and all of the conversion rights attaching to the Conversion Notes were exercised, each of Dossor Family Associates and the Manning Family Associates, could block the passage of special resolutions, dealing with matters such as: modifications to the Company's Constitution, changes in company name; selective share buy-backs or reductions in capital; voluntary winding up; change in company type; variation of class rights; conversion of ordinary shares to preference shares and vice versa; the approval of the giving of financial assistance; approval of differential dividend rights and the approval of a transfer of place of incorporation;

(c) a potential breach of the COT test and subsequent loss of associated tax assets; and

(d) until conversion, increased debt and therefore gearing with the consideration for the Acquisition comprising the contemplated 40,000,000 new Convertible Notes to be issued by the Company.

The independent expert in section 11.3 (page 32) of its report has also listed a number of potential disadvantages of the Acquisition.

Your Directors have carefully weighed the advantages and disadvantages of the Acquisition, and are strongly of the belief that the advantages of the Acquisition outweigh its disadvantages.

1.18 **Risks – if Acquisition proceeds**

Below is a statement of the general and specific risks if the Acquisition proceeds, and then if the Acquisition were not to proceed.

1.18.1 General risks

General risks that may negatively impact Vertua, its post-Acquisition business and Vertua's NSX share price include:

(a) economic conditions in Australia may worsen, leading to reduced economic activity and negative growth;

(b) investors' views regarding the stock market and share market conditions generally may decline, leading to reduced prices for Vertua Shares. These factors may be quite unconnected with Vertua's own performance. Neither the Company nor its present or future Directors warrants the future performance of the Company or any return on investment in the Company;

(c) changes in fiscal and monetary policy may result in reduced economic activity or changes to business practices which may have adverse consequences for Vertua;

(d) changes in relevant taxation and other legal regimes may result in adverse consequences for Vertua;

(e) adverse changes in Australian policies and international policies operating in Australia on the Print industry;

(f) financial failure or default by any entity with which Vertua may become involved in a contractual relationship;

(g) industrial disputes;

(h) changes in investor sentiment towards particular market sectors;

(i) the demand for, and supply of, capital;

(j) terrorism or other hostilities;

(k) the inability of Vertua to secure and retain appropriate insurance cover at affordable prices;

(l) litigation brought by third parties, including but not limited to customers, suppliers, business partners, employees or shareholders could negatively impact the business where the impact of such litigation is not covered by insurance. The Company is presently not a party to any such litigation;

(m) share price fluctuations due to market factors;

(n) price volatility in Vertua Shares in response to factors such as additions to or departures of key personnel, litigation and legislative change, press, newspaper or other media reports; and actual or anticipated variations in the Company's operating results;

(o) illiquidity in the market for Vertua Shares, though the Acquisition proposal is intended to increase Vertua's market presence and therefore trading in its stock; and

(p) currency fluctuations between the Australian dollar and other currencies may result in adverse movements in the value of Vertua's assets or earnings.

1.18.2 Specific risks

Business specific risks that may impact significantly on Vertua and the JPH business are set out below. Vertua will continue to operate in the property development segment, and there is little chance of the businesses overlapping. However we aim to set out the specific identified risks below, which include:

(a) *market attributes and pressures*: no assurance can be given that JPH will be able to compete effectively with competitors in the Australian residential property development market. Increased competition in the market may result in actual revenue derived being less than projected revenue, with adverse impacts on operating results and profitability. These particular risks will be sought to be addressed by Vertua offering value add service and by providing what the Directors believe to be superior service to its customers;

(b) *decline*: the industries and markets in which JPH operates may decline or suffer reduced activity, leading to reduced demand for JPH's products and services;

(c) *acquisition conditions*: the conditions for the Acquisition to proceed may not be fulfilled. Further acquisitions in a particularly buoyant market expose the Company to potential losses in the event that the market declines broadly;

(d) *external influences*: the industry in which JPH is involved is subject to domestic and global influences. Although JPH undertakes all reasonable due diligence in its business decisions and operations, JPH has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of its projects and business. Price competitiveness brought about by increased competition may affect the selling margin enjoyed by JPH and JPH's profitability. New market entrants may negatively impact on JPH's sales projections;

(e) *contract risks*: JPH is and intends to be party to various contracts critical to its ongoing operations and success. Whilst JPH will take reasonable commercial steps to ensure that its contracting counter-parties comply with their contractual obligations, defaults by them may adversely affect JPH's business, revenue and profitability;

(f) *timing*: JPH's operating results may vary significantly from period to period, and it may not be able to sustain operating profitability or cash flow, though the capital available from Vertua should reduce this risk;

(g) *key personnel*: if Vertua post-Acquisition loses its key personnel, including members of current JPH management, or is unable to attract and retain additional personnel, it may be unable to achieve its goals. Loss of key personnel could also result in the loss of some proprietary know-how or relationships with Australian market participants;

(h) *regulation*: changes in the regulatory environment in which Vertua operates may have adverse consequences to Vertua's business. There is a risk that regulation may change in a manner that could impact adversely on the assets, operations and ultimately the financial performance of the Company. These include the risk that relevant government charges and fees could increase, adversely affecting margins;

(i) *future capital requirements*: the Company's future capital requirements will depend on a number of factors, including the Company's ability to generate sufficient income from its operations. The Company, post-Acquisition, may need to raise additional equity from debt or equity sources due to unforeseen circumstances. There can be no assurance that the Company, post-Acquisition, will be able to raise such capital on favourable terms or at all. If adequate funds are not available on acceptable terms, the Company may not be able to develop its print or property development business as intended, with adverse impacts on the Company and its operations;

(j) *reputation*: if the quality of development projects do not meet JPH customers' expectations then its reputation could suffer and its sales and operating earnings could be negatively impacted; and

(k) *adjustments*: costs and market adjustments associated with any changes in intentionally mandated technological standards.

1.19 Risks – if Acquisition does not proceed

If the relevant shareholder resolutions are not passed by the requisite majorities, then the Acquisition will not proceed. This would expose Vertua to the following risks:

(a) *transaction costs*: Vertua has incurred certain transaction costs in connection with the proposed Acquisition, including in the preparation and negotiation of the transaction documents, the Notice of Meeting, this statement and the independent expert's reports. Subject to a contribution by JPH, Vertua is responsible for these costs regardless of whether the acquisition proceeds. At the date of this Statement the costs total approximately $100,000;

(b) *solvency*: under the Share Sale Agreement, Vertua is required to pay a $600,000 deposit to the JPH Shareholders. The deposit has not been paid, and Vertua and the JPH Shareholders have agreed that the outstanding amount be treated as a loan. If the Acquisition did not proceed, the deposit amount would remain payable. In that event, your Directors would need to consider the solvency position of the Group and whether or not any of its assets and undertaking would need to be realised to meet debts as and when they fall due; and

(c) *Vertua share price*: if the Acquisition does not proceed, Vertua Shares may trade at a lower price on the NSX.

1.20 Timetable

The Acquisition, and its approval, are presently intended to proceed as follows:

Event	**Date** (2016)
EGM proxies close	6 February
EGM held	8 February
Financial close and completion of JPH acquisition	9 February

1.21 Directors' interests and offices

Mr James Manning is the Vertua Managing Director, and also serves as a director of and is himself and with his associates is a shareholder in, JPH. He is also a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee,

Mr Ben Doyle, a Vertua Director, is also a director of JPH. His associated trust fund, the Lily Bordeaux Trust, additionally holds 15.1% of JPH's issued share capital.

1.22 Requisite majority

Resolution 1 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution. All shareholders may vote on this resolution.

1.23 Recommendation

Having regard to their interests and offices described in section 1.21 above, Mr Manning and Mr Doyle decline to make a recommendation on how Shareholders should vote on this resolution.

Mr Chris Bregenhoj, the Chairman and remaining director and who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposal and recommends that Shareholders vote in favour of this resolution.

1.24 Voting exclusion statement

All shareholders may vote on this resolution.

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2. Resolution 2: NSX LR 6.43 approval of acquisition of substantial asset – JPH shares

2.1 NSX Listing Rule 6.43

NSX Listing Rule 6.43 requires the Company to obtain the approval of its members if it or any of its child entities acquires a substantial asset from a related party or a person nominated by NSX. NSX has required the Company to obtain approval of its shareholders for the acquisition of JPH, details of which are set out below.

2.2 The Acquisition

On 15 October 2015, the Company's direct wholly-owned subsidiary, Vertua Investments Ltd, entered into a Share Sale Agreement by which it conditionally agreed to acquire all of JPH's issued share capital, comprised of 5,014,240 fully paid ordinary shares. The conditions to which the sale and purchase are principally subject are the passage of the resolutions discussed in this statement.

The terms of the Share Sale Agreement are discussed in section 1.5 above.

2.3 Who are the JPH Shareholders?

The JPH Shareholders comprise:

- as to 38.7%, interests associated with the Dossors;
- as to 37.1%, Custodian, as trustee of the Manning Custodian Trust, associated with Mr James Manning, Vertua's Managing Director;
- as to 15.1%, interests associated with Mr Ben Doyle, a Vertua Director;
- as to 6.4%, Wealth Holdings, associated with Mr David Leon, a minority Vertua shareholder; and
- as to 2.8%, Woodville, associated with Custodian.

2.4 Relationship between JPH Shareholders and Vertua

JPH and Vertua have two directors in common: Mr James Manning and Mr Ben Doyle.

As to the JPH Shareholders:

- Holicarl is a substantial holder in Vertua, with notified voting power of 16.1% from a registered shareholding of 1,590,900 Vertua Shares;
- Custodian and Woodville act in concert with one another in respect of their shareholdings in Vertua, each having voting power of 19.8% from registered shareholdings of 1,956,529 Vertua Shares;
- Lily Bordeaux who is associated with Vertua director, Mr Ben Doyle, and his wife, Ms Marie Doyle, and who is currently the registered holder of 745,451 Shares or 7.6% of all Vertua Shares on issue; and
- Wealth Holdings is an associate of Mr David Leon of New Zealand, who is the registered holder of 261,252 Shares or 2.6% of all Vertua Shares on issue.

Additionally, Manning Group (with whom Custodian and Woodville act in concert) holds 9,700,000 2015 Options. Mr Manning is also a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee.

2.5 Commercial rationale for the Acquisition

The commercial rationale for the Acquisition is discussed in section 1 above.

2.6 Alternative options considered

No alternative options were considered.

2.7 The JPH shares

The JPH Shares represent all of the shares on issue in JPH. On completion of the Acquisition, JPH will become an indirect wholly-owned subsidiary of Vertua and a direct wholly-owned subsidiary of Investments.

2.8 Independent expert's report on value of JPH shares

For the assistance of members, the Company has commissioned Nexia Court to prepare an independent expert's report on the fairness and reasonableness of the Acquisition. As contemplated by ASIC Regulatory Guide 74 (paragraph RG 74.27), the report analyses the Acquisition consistently with the requirements of ASIC Regulatory Guide 111.

Nexia Court's report accompanies this statement. They have concluded that the proposed transaction is fair and reasonable to the non-associated shareholders of Vertua.

2.9 Impact on the Company

The acquisition should see the Company's total assets increase by $5,322,276 and annual profit before tax and extraordinary items increase in the current financial year by $500,000.

2.10 Requisite majority

Resolution 2 need only be passed as an ordinary resolution, that is, by a simple majority of members, being entitled to do so, present and voting on the resolution.

2.11 Directors' recommendations and reasons

Having regard to their interests and offices described above, Mr Manning and Mr Doyle decline to make a recommendation on how Shareholders should vote on this resolution.

Mr Chris Bregenhoj, the Chairman and remaining director and who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposal and recommends that Shareholders vote in favour of this resolution, principally, and as discussed in section 1 above, because the merged entity[3], when compared to Vertua pre-Acquisition:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and

[3] Please note that the following statements are derived solely from the figures referenced in section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance

- would have an increase in revenue in excess of the resultant increase in expenses.

2.12 Directors' interests in the outcome

The directors' interests in the outcome of this resolution are the same as in the outcome of resolution 1, discussed in sections 1.21 and 2.4 above.

2.13 Voting exclusion

All shareholders may vote on resolution 2.

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3. Resolution 3.1: Chapter 2E approval of acquisition of JPH shares from Manning Related Parties

3.1 Chapter 2E of the *Corporations Act 2001*

The objective of the related party provisions in Ch 2E of the *Corporations Act 2001* is to protect the interests of shareholders of public companies by requiring shareholder approval for the giving of financial benefits that could endanger shareholders' interests.

Under s208, and unless an exception set out in ss210 to 216 were to apply, for a public company or an entity it controls to give a financial benefit to a related party of the public company, the company's shareholders must approve the transaction in the way set out ss217 to 227 of the *Corporations Act 2001*.

Where shareholder approval is required, meeting materials seeking approvals for related party transactions involving a public company must provide sufficient information to shareholders to enable them to decide whether or not the financial benefit to be given to a related party is in the interests of the Company.

3.2 The Acquisition

The Acquisition has been structured such that the consideration for the purchase of the Shares will be met entirely by the issue of 40,000,000 Convertible Notes, issued to the JPH Shareholders in proportion to their JPH Shareholdings. The terms of the Convertible Notes are set out below.

3.3 Commercial rationale for the Acquisition and convertible note issue

The Convertible Notes to be issued as part of the Acquisition provided the Directors with surety associated with the ability to enter into the transaction with the JPH Shareholders and complete the transaction without risk of insolvency. The Convertible Note terms allow their holder to convert the notes into Shares on a one-for-one basis, as to which see section 3.5.2 below.

3.4 Alternative options considered

The Company considered both alternate sources of debt financing as well as equity financing. Given the size of the Company and the terms of the Acquisition, alternate debt financing options were limited.

Further, given the timeframes, size of the capital raising required and dilution effect, it was thought that a capital raising was not appropriate at the time. It was additionally thought that there would be little chance of raising capital on terms as favourable as the Convertible Note conversion rate.

3.5 The Subscription Agreement and terms of issue

3.5.1 The Share Sale Agreement and the Subscription Agreement

Under the Share Sale Agreement and the Subscription Agreement, the JPH Shareholders have agreed to receive the purchase consideration payable on the sale of their JPH Shares in the form of Convertible Notes issued by the Company. It is envisaged that the $6,000,000 purchase price for the JPH Shares will be satisfied in full by the issue of 40,000,000 Convertible Notes with an issue price of $0.15 each, and a nil conversion exercise price.

The Convertible Notes will be issued on completion of the Acquisition, which is presently scheduled to occur on 22 January 2016.

3.5.2 The terms of issue

Set out below is a summary of the material terms of issue of the Convertible Notes:

- they bear interest on their face value at a rate equal to BBSW + 8% per annum, with interest calculated and payable quarterly;

- no interest is payable on the Convertible Notes prior to the third anniversary of their issue, unless a defined Default Event occurs;

- the Convertible Notes are unsecured;

- they convert into Vertua Shares at the rate of one Vertua Share for every one Convertible Note;

- each Convertible Note entitles its holder to convert the Convertible Note into one Share, without payment of a conversion fee or any other amount. Convertible Notes, however, may only be converted by their holder if proportionately each other Convertible Note holder exercises its conversion rights at the same time;

- Shares may be issued in consequence of the exercise of conversion right under a Convertible Note. Conversion rights under the Convertible Notes may be exercised by their holder at any time within 5 years after their grant or following the occurrence of a specified default event or change event

- the Company may also, between the third anniversary of their issue and the specified redemption date, elect to convert all or any of the Convertible Notes into Shares;

- subject to rounding, the maximum number of Shares that may be issued in consequence of the exercise of the conversion rights under the Convertible Notes Options must not on a post-dilution basis exceed 49.5% of all Shares then on issue;

- all Convertible Notes are to rank equally, but rank in terms of payment, including on redemption, behind any third party secured, bank or financial institution lender. The Convertible Notes rank ahead of Shareholders in the absence of dividends declared on Shares and as debt on a winding up;

- Convertible Notes may only be transferred with the unanimous consent of all holders of Convertible Notes;

- Convertible Note holders may participate in new issues and capital reconstructions consistently with Australian listed company options;

- the Convertible Notes are redeemable at the option of either the holder or the Company after the fifth anniversary of their issue, at the option of a holder following the occurrence of a Default Event or on the occurrence of specified change events;

- Default Events triggering redemption rights are customary for convertibles notes issued in Australia of the current nature in the current context;

- the Convertible Notes contain customary financial information undertakings, as well as undertakings as to financial practices and business activities; and

- dividends, distributions, buy-backs and other capital reconstructions are not to be undertaken by the Company while the Convertible Notes are outstanding, except with the consent of the Convertible Note holders.

3.6 Nature of the financial benefits given

3.6.1 The financial benefits given

Of the 40,000,000 Convertible Notes to be issued on completion of the Acquisition, the Manning Related Parties will be issued 17,655,100 Convertible Notes.

3.6.2 *No other financial benefits given*

The other financial benefits given have been comprehensively described in sections 3.5 and 3.6.1 above. No other financial benefits are to be given to the Manning Related Parties.

3.7 Who are the Manning Related Parties?

The Manning Related Parties comprise Woodville, Custodian and Manning Group. Each of them is a private family investment vehicle associated with the Manning family, of which the Vertua Managing Director, Mr James Manning, is a member. It has made a number of similar investments in private companies throughout Australia. It has made a significant number of these in property related transactions. Mr Manning is also a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee. Manning Group holds 9,700,000 2015 Options.

Together, Woodville and Custodian hold 39.9% of JPH's issued share capital.

3.8 Relationship between the Manning Related Parties and Vertua

Mr James Manning is the Vertua Managing Director. He is also a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee.

Woodville is the trustee of the Woodville Superannuation Fund. Woodville acts in concert with Custodian.

Custodian is the trustee of the Custodian Trust. Amongst the class of discretionary objects of the trust are Georgina Manning and Kathleen Manning, who also serve as Custodian's directors. Custodian acts in concert with Woodville.

3.9 Existing interests of related parties in the Company

Woodville currently holds 399,267 Shares and has a relevant interest in 1,956,259 Shares.

Custodian currently holds 1,525,616 Shares and has a relevant interest in 1,956,259 Shares.

Manning Group holds no Shares in Vertua and therefore presently does not have a relevant interest in any Vertua Share on issue. This position would change if Manning Group were to exercise any of the 2015 Options that it holds. In that event, Manning Group intends to act in concert with Custodian and Woodville, as would they with Manning Group, so that they would all be associates of one another for the purposes of Chapter 6 of the *Corporations Act 2001*.

3.10 Independent expert's report on value of financial benefits

The Company has engaged Nexia Court to prepare for the benefit of the Company and its members an independent expert's report on the valuation of the financial benefits to be given as part of the proposals to be approved at the meeting contemplated by this statement.

Nexia Court's report accompanies this statement. The independent expert has valued JPH Shares on a minority interest basis as having a preferred fair value of $7,191,534.

The independent expert has concluded that the proposed transaction is fair and reasonable to the non-associated shareholders of Vertua.

3.11 Impact on the Company

The Acquisition should see the Company's total assets increase by $5,352,447 and annual profit before tax and extraordinary items increase in the current financial year YTD to 30 September 2015 by approximately $500,000.

3.12 Dilution effect

Should all the Convertible Notes and all the 2015 Options be exercised, existing Shareholders' holdings will be diluted to 16.6% of the post-Acquisition equity in the Company.

3.13 Requisite majority

Resolution 3.1 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution.

3.14 Directors' interest in the outcome

Mr James Manning, the Vertua CEO, is a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee.

Mr Doyle, a Vertua director, will not benefit from this resolution, but may derive a benefit in respect of the Acquisition, including by way of the issue of Convertible Notes as contemplated by resolution 3.2.

Mr Chris Bregenhoj, Vertua's Chairman, holds no interest in any of the parties selling into the Acquisition.

3.15 Directors' recommendations and reasons

Having regard to his interests and offices described in section 3.14 above, and though he voted at a Vertua Board meeting in favour of a resolution to put the proposal to members for their consideration and approval, Mr Manning declines to make a recommendation on how Shareholders should vote on this resolution.

For similar reasons, and though he voted at a Vertua Board meeting in favour of a resolution to put the proposal to members for their consideration and approval, Mr Doyle declines to make a recommendation on how shareholders should vote on this resolution.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposed giving of financial benefits under this resolution and recommends that Shareholders vote in favour of this resolution, principally, and as discussed in section 1 above, because the merged entity[4], when compared to Vertua pre-Acquisition:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and
- would have an increase in revenue in excess of the resultant increase in expenses.

3.16 Voting exclusion statement

The Company will disregard any votes cast on this resolution by the Manning Related Parties and their associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of the Manning Related Parties or any of their associates.

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4. Resolution 3.2: Chapter 2E approval of acquisition of JPH shares from the Doyle Related Party

4.1 Nature of the financial benefits given

4.1.1 The financial benefits given

It is proposed that 40,000,000 Convertible Notes be issued on completion of the Acquisition to the current JPH Shareholders for their JPH Shares. Of these, the Doyle Related Party, Lily Bordeaux, will be issued 6,032,699 Convertible Notes.

[4] Please note that the following statements are derived solely from the figures referenced in section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance.

4.1.2 *No other financial benefits given*

The other financial benefits given have been comprehensively described in sections 3.5 and 3.6.1 above. No other financial benefits will be given to Lily Bordeaux, the Doyle Related Party.

4.2 Who is the Doyle Related Party?

Lily Bordeaux is the Doyle Related Party. It is a private family investment vehicle associated with the Doyle family, of which a director, Mr Ben Doyle, is a member. It has made a number of similar investments in private companies throughout Australia. It has made a significant number of these in property related transactions.

Lily Bordeaux holds 15.1% of JPH's issued share capital.

4.3 Relationship between the Doyle Related Party and Vertua

Lily Bordeaux is the trustee of the Lily Bordeaux Trust. Amongst the class of discretionary objects of the trust are Vertua director, Mr Ben Doyle, and his wife, Ms Marie Doyle. Mr Ben Doyle and Ms Marie Doyle are also Lily Bordeaux's directors and shareholders.

4.4 Existing interests of related parties in the Company

Lily Bordeaux, who is associated with Vertua director Mr Ben Doyle and his wife Ms Marie Doyle, is currently the registered holder of 745,451 Shares or 7.6% of all Shares on issue in Vertua.

4.5 Independent expert's report on value of financial benefits

The independent expert has valued JPH Shares on a minority interest basis as having a preferred fair value of $7,191,534.

The expert has concluded that the proposed transaction is fair and reasonable to the non-associated shareholders of Vertua.

4.6 Impact on the Company

The Acquisition should see the Company's total assets increase by $5,352,447 and annual profit before tax and extraordinary items increase in the current financial year YTD to 30 September 2015 by approximately $500,000.

4.7 Dilution effect

Should all the Convertible Notes and all the 2015 Options be exercised, existing Shareholders' holdings will be diluted to 16.6% of the Shares on issue in the post-Acquisition entity.

4.8 Requisite majority

Resolution 3.2 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution.

4.9 Directors' interests in the outcome

Mr Ben Doyle, a Vertua Director, is a 50% shareholder in Lily Bordeaux. Lily Bordeaux is the corporate trustee of the Lily Bordeaux Trust of which Mr Ben Doyle is a member of the class of discretionary objects of the trust.

Mr James Manning, the Vertua Managing Director, will not benefit from this resolution, but may derive a benefit in respect of the Acquisition, including by way of the issue of Convertible Notes as contemplated by resolution 3.1.

Mr Chris Bregenhoj, Vertua's Chairman, holds no interest in any of the parties selling in to the Acquisition.

4.10 Directors' recommendations and reasons

Having regard to his interests and offices described above, and though he voted at a Vertua Board meeting in favour of a resolution to put the proposal to members for their consideration and approval, Mr Ben Doyle declines to make a recommendation on how Shareholders should vote on this resolution.

For similar reasons, and though he voted at a Vertua Board meeting in favour of a resolution to put the proposal to members for their consideration and approval, Mr James Manning declines to make a recommendation on how shareholders should vote on this resolution.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Ben Doyle in relation to this resolution, has closely considered the proposed giving of financial benefits under this resolution and recommends that Shareholders vote in favour of this resolution, principally, and as discussed in section 1 above, because the merged entity[5], when compared to Vertua pre-Acquisition:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and
- would have an increase in revenue in excess of the resultant increase in expenses.

[5] Please again note that the following statements are derived from the figures referenced in section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance.

4.11 Voting exclusion statement

The Company will disregard any votes cast on this resolution by the Doyle Related Party and their associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of the Doyle Related Party or any of its associates.

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5. Resolution 4.1: Takeovers provisions approval of issue of Shares to Manning Family Associates

5.1 The Share Sale Agreement and the Subscription Agreement

Under the Share Sale Agreement and the Subscription Agreement, the JPH Shareholders have agreed to receive the $6,000,000 purchase consideration payable on the sale of their JPH Shares in the form of 40,000,000 Convertible Notes issued by the Company at $0.15 each, each with a nil conversion exercise price.

Of these, the Manning Family Associates would be issued 17,655,100 Convertible Notes on completion of the Acquisition, which is presently scheduled to occur on 1 February 2016.

5.2 The terms of issue of the Convertible Notes

The terms of issue of the Convertible Notes are summarised above in section 3.5.2 of this Explanatory Statement.

Custodian and Woodville are existing substantial holders in the Company, with a substantial holding of 19.8%.

As each of the Manning Family Associates has an existing relevant interest in 1,956,259 Shares, the issue of further Shares to the Manning Family Associates on exercise of the conversion rights under the Convertible Notes issued under the Convertibles Notes Subscription Agreement must first be approved by shareholders in accordance with s611, item 7 of the *Corporations Act 2001*. Additionally, should Manning Group exercise any of the 2015 Options, Manning Group intends to act in concert in respect of these Shares with the other Manning Family Associates, thereby itself becoming a Manning Family Associate.

The approval resolution must be passed as an ordinary resolution. Under section 611, item 7(a), neither the Manning Family Associates (including Manning Group) nor any of their associates may vote on the resolution.

Under and in respect of the Convertible Notes:

- the issue price for the Shares is 15.0 cents per Share. The NSX closing price for Vertua Shares has been constant since 13 August 2015 at 10 cents per share;

- none of the Manning Family Associates has indicated whether or not it intends to exercise its right to convert and, if so, to what extent;

- the Company currently has on issue 9,873,275 Shares and 9,700,000 2015 Options. Should both all of the 2015 Options be exercised and all of the conversion rights granted to the Manning Family Associates under the Convertible Notes to be issued to them be exercised, the percentage of Shares of all Shares on issue in the Company and therefore voting power that the Manning Family Associates would hold would be 46.4%. This increase in voting power would not constitute a change in control of the Company. Such an increase would however represent a significant increase in the influence of the Manning Family Associates over resolutions relating to the affairs of the Company;

- the rights of conversion under the Convertible Notes were central to the Convertible Notes being issued on the terms that they were;

- the right of conversion may be exercised in respect of all or any of the Convertible Notes; and

- the other material terms of issue are summarised in section 3.5.2 above.

For the purposes of section 611, item 7 of the *Corporations Act 2001* shareholders are additionally advised:

- at the date of this Notice, each Manning Family Associate is an associate of each other Manning Family Associate for the purposes of Chapter 6 of the *Corporations Act 2001*, with a voting power of 19.8% in the Company

- the maximum extent of the increase in the Manning Family Associates' voting power in the Company that would result from the acquisition of Shares on both a full exercise of the Options and a full exercise of the conversion rights granted under the Convertible Notes would be 26.6%;

- the voting power that the Manning Family Associates would have as a result of a full exercise of the conversion rights granted under the Convertible Notes would be 46.4%. This increase in voting power would not constitute a change in control of the Company. Such an increase would however represent a significant increase in the influence of the Manning Family Associates over resolutions relating to the affairs of the Company;

- the Convertible Notes issue to the Manning Family Associates is proposed as part of the financing terms for the Acquisition and the conversion rights under the Convertible Notes to so be issued are central to the financing having been agreed to be extended on current terms;

- the Convertible Notes are not assignable and may not be exercised in favour of a nominee;
- each Convertible Note entitles its holder to convert the Convertible Note into one Share, without payment of a conversion fee or any other amount. Convertible Notes, however, may only be converted by their holder if proportionately each other Convertible Note holder exercises its conversion rights at the same time;
- the Convertible Notes are redeemable in the situations referred to in section 3.5.2 of this Explanatory Statement;
- Shares may be issued in consequence of the exercise of conversion right under a Convertible Note. Conversion rights under the Convertible Notes may be exercised by their holder at any time within 5 years after their grant or following the occurrence of a specified default event or change event
- the Company may also, between the third anniversary of their issue and the specified redemption date, elect to convert all or any of the Convertible Notes into Shares;
- subject to rounding, the maximum number of Shares that may be issued in consequence of the exercise of the conversion rights under the Convertible Notes Options must not on a post-dilution basis exceed 49.5% of all Shares then on issue;
- should shareholders pass resolution 4.1, the Manning Family Associates intend that the Company will undertake the business activities described in section 1.11;
- the Manning Family Associates do not intend that the Company engage its own direct employees;
- apart from the possible exercise of conversion rights under the Convertible Notes, the Manning Family Associates do not at this stage intend to inject further capital into the Company;
- the Manning Family Associates do not intend that the Company undertake any asset transfers, any redeployment of fixed assets or any other material transaction by Vertua that is not disclosed to shareholders;
- the Manning Family Associates have no intention to establish a new office for Vertua;

- Vertua continues to monitor its overall financial position, and given the limited capital available to the Company, does not, until further advice, intend to pay any dividends;

- Mr James Manning is a director of the Company and JPH. He is also a member of the class of discretionary objects of the Manning Group Trust, of which Manning Group is the corporate trustee. Mr Manning has no other interest in the outcome of this resolution; and

- no additional person is intended to be appointed a director of the Company in consequence of the issue of any Shares the subject of approval under resolution 4.1.

5.3 Associated shareholders

The following table is relevant to your consideration of each of resolutions 4.1, 4.2 and 4.3. The table sets out the number of Shares held by and the voting power of Vertua's Directors and material JPH Shareholders and non-associated Vertua Shareholders both before the merger (current and fully-diluted) and after the merger on a fully diluted basis:

	Current	**Pre-merger (fully diluted)**	**Post-merger (fully diluted)**
Dossor Family Associates	1,590,900 (16.1%)	1,590,900 (8.1%)	17,059,358 (28.6%)
Manning Family Associates	1,956,259 (19.8%)	11,656,259 (59.6%)[6]	27,615,215 (46.4%)
Doyle Family Associate	745,451 (7.6%)	745,451 (3.8%)	6,778,150 (11.4%)
Other shareholders	5,580,665 (56.5%)	5,580,665 (28.5%)	8,120,552 (13.6%)

5.4 Independent expert's report

The independent expert, for the reasons set out in its report, has concluded that the Acquisition is fair and reasonable to the Vertua Shareholders. It is recommended that Shareholders read the report in its entirety when making a decision whether or not to vote in favour of resolution 4.1.

[6] The 2015 Options on issue may not be exercised to result in a voting power in respect of Vertua Shares on issue in excess of 49.9%.

5.5 Requisite majority

Resolution 4.1 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution.

5.6 Recommendation

Having regard to their interests and offices described in section 3.14 above, each of Mr James Manning and Mr Ben Doyle declines to make a recommendation on how Shareholders should vote on this resolution.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposed giving of financial benefits and, including having regard to the opinion of the independent expert that the Acquisition is fair and reasonable to Vertua's Shareholders, recommends that Shareholders vote in favour of this resolution principally, and as discussed in section 1 above, because the merged entity[7], when compared to Vertua pre-Acquisition:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and
- would have an increase in revenue in excess of the resultant increase in expenses.

5.7 Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 6 by the Manning Family Associates and their associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of Manning Family Associates or any of their associates.

6. Resolution 4.2: Takeovers provisions approval of issue of Shares to Dossor Family Associates

Under the Share Sale Agreement and the Subscription Agreement, the JPH Shareholders have agreed to receive the $6,000,000 purchase consideration payable on the sale of their JPH Shares in the form of 40,000,000 Convertible

[7] Please again note that the following statements are derived solely from the figures referenced in section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance.

Notes issued by the Company at $0.15 each, each with a nil conversion exercise price.

Of these, the Dossor Family Associates would be issued 15,468,458 Convertible Notes.

Both the new Shares and the Convertible Notes will be issued on completion of the Acquisition, which is presently scheduled to occur on 1 February 2016.

6.1 The terms of issue of the Convertible Notes

The terms of issue of the Convertible Notes are summarised above in section 3.5.2 of this Explanatory Statement.

Holicarl and the Dossors are existing substantial holders in the Company, with a notified substantial holding of 16.1%.

As each of Holicarl and the Dossors has a relevant interest in 1,590,900 Shares, the issue of a further Shares to the Dossor Family Associates on exercise of the conversion rights under the Convertible Notes issued under the Convertibles Notes Subscription Agreement must first be approved by shareholders in accordance with s611, item 7 of the *Corporations Act 2001*.

The approval resolution must be passed as an ordinary resolution. Under s611, item 7(a), neither the Dossor Family Associates nor any of their associates may vote on the resolution.

Under and in respect of the Convertible Notes:

- the issue price for the Shares is 15.0 cents per Share. The NSX closing price for Vertua Shares has been constant since 13 August 2015 at 10 cents per share;

- none of the Dossor Family Associates has indicated whether or not it intends to exercise its right to convert and, if so, to what extent;

- the Company currently has on issue 9,873,275 Shares and 9,700,000 2015 Options. Should the Shares to be issued to the Dossor Family Associates on all the conversion rights granted to the Dossor Family Associates as part of their Convertible Notes consideration for their JPH shares be exercised and the 2015 Options held by the Manning Group also be exercised, the percentage of Shares of all Shares on issue in the Company that the Dossor Family Associates would hold would be 28.6% from 17,059,358 Vertua Shares. This increase in voting power does not constitute a change in control of the Company. Such an increase would however represent a significant increase in the influence of the Dossor Family Associates over resolutions relating to the affairs of the Company;

- the rights of conversion under the Convertible Notes were central to the Convertible Notes being issued on the terms that they were;

- the right of conversion may be exercised in respect of all or any of the Convertible Notes; and

- the other material terms of issue are summarised in section 5.2 above.

For the purposes of s611, item 7 of the *Corporations Act 2001*, shareholders are additionally advised:

- at the date of this Notice, each Dossor Family Associate is an associate of each other Dossor Family Associate for the purposes of Chapter 6 of the *Corporations Act 2001*, with a 16.1% voting power in relation to the Company;

- the maximum extent of the increase in the Dossor Family Associates' voting power in the Company that would result from the acquisition of Shares on a full exercise of the conversion rights granted under the Convertible Notes, but without Manning Group exercising any of the Options, would be 12.7%;

- the voting power that the Dossor Family Associates would have as a result of a full exercise of the conversion rights granted under the Convertible Notes would be 28.6%. This increase in voting power would not constitute a change in control of the Company. Such an increase would however represent a significant increase in the influence of the Manning Family Associates over resolutions relating to the affairs of the Company;

- the Convertible Notes issue to the Dossor Family Associates is proposed as part of the financing terms for the Acquisition and the conversion rights under the Convertible Notes to so be issued are central to the financing having been agreed to be extended on current terms;

- the Convertible Notes are not assignable and may not be exercised in favour of a nominee;

- each Convertible Note entitles its holder to convert the Convertible Note into one Share, without payment of a conversion fee or any other amount. Convertible Notes, however, may only be converted by their holder if proportionately each other Convertible Note holder exercises its conversion rights at the same time;

- the Convertible Notes are redeemable in the situations referred to in section 3.5.2 of this Explanatory Statement;

- Shares may be issued in consequence of the exercise of conversion right under a Convertible Note. The conversion rights under the Convertible Notes may be exercised at any time within 5 years after their grant.;

- subject to rounding, the maximum number of Shares that may be issued in consequence of the exercise of the conversion rights under the Convertible Notes must not on a post-dilution basis exceed 49.5% of all Shares then on issue;

- should shareholders pass resolution 4.2, the Dossor Family Associates intend that the Company will undertake the business activities described in section 1.11;

- the Dossor Family Associates do not intend that the Company engage its own direct employees;

- apart from the possible exercise of conversion rights under the Convertible Notes, the Dossor Family Associates do not at this stage intend to inject further capital into the Company;

- the Dossor Family Associates do not intend that the Company undertake any asset transfers, any redeployment of fixed assets or any other material transaction by Vertua that is not disclosed to shareholders;

- the Dossor Family Associates have no intention to establish a new office for Vertua;

- Vertua continues to monitor its overall financial position, and given the limited capital available to the Company, does not, until further advice, intend to pay any dividends; and

- no additional person is intended to be appointed as a director of the Company in consequence of the issue of any Shares the subject of approval under resolution 4.2.

6.2 Associated shareholders

The shareholdings and the voting power of the Dossor Family Associates, the Manning Family Associates, the Doyle Family Associate and other Vertua shareholder before the merger (current and fully-diluted) and after the merger on a fully-diluted basis:

	Current	**Pre-merger (fully diluted)**	**Post-merger (fully diluted)**
Dossor Family Associates	1,590,900 (16.1%)	1,590,900 (8.1%)	17,059,358 (28.6%)

Manning Family Associates	1,956,259 (19.8%)	11,656,259 (59.6%)[8]	27,615,215 (46.4%)
Doyle Family Associate	745,451 (7.6%)	745,451 (3.8%)	6,778,150 (11.4%)
Other shareholders	5,580,665 (56.5%)	5,580,665 (28.5%)	8,120,552 (13.6%)

6.3 Independent expert's report

The independent expert, for the reasons set out in its report, has concluded that the Acquisition is fair and reasonable to the Vertua Shareholders. It is recommended that Shareholders read the report in its entirety when making a decision whether or not to vote in favour of resolution 4.2.

6.4 Requisite majority

Resolution 4.2 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution.

6.5 Recommendation

Having regard to their interests and offices described in section 3.14 above, each of Mr James Manning and Mr Ben Doyle declines to make a recommendation on how Shareholders should vote on this resolution.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposed giving of financial benefits and, including having regard to the opinion of the independent expert that the Acquisition is fair and reasonable to Vertua's Shareholders, recommends that Shareholders vote in favour of this resolution principally, and as discussed in section 1 above, because the merged entity[9], when compared to Vertua pre-Acquisition:

- would be more profitable;
- would have a materially stronger net asset position;
- would have expenses only marginally higher; and
- would have an increase in revenue in excess of the resultant increase in expenses.

[8] The 2015 Options on issue may not be exercised to result in a voting power in respect of Vertua Shares on issue in excess of 49.9%.

[9] Please again note that the following statements are derived from the figures referenced in section 1.7.4 and relate only to the position of the merged entity immediately after the acquisition of JPH. They do not constitute and are not intended to be a forecast of future financial performance. Historical financial performance is not a necessary indication of future financial performance.

6.6 Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 4.2 by the Dossor Family Associates and their associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of Dossor Family Associates or any of their associates.

7. Resolution 4.3: Takeovers provisions approval of issue of Shares to Doyle Family Associate

Under the Share Sale Agreement and the Subscription Agreement, the JPH Shareholders have agreed to receive the $6,000,000 purchase consideration payable on the sale of their JPH Shares in the form of 40,000,000 Convertible Notes issued by the Company at $0.15 each, each with a nil conversion exercise price.

Of these, the Doyle Family Associate would be issued 6,032,699 Convertible Notes.

Both the new Shares and the Convertible Notes will be issued on completion of the Acquisition, which is presently scheduled to occur on 1 February 2016.

7.1 The terms of issue of the Convertible Notes

The terms of issue of the Convertible Notes are summarised above in section 3.5.2 of this Explanatory Statement.

The Doyle Family Associate is not an existing substantial holder in the Company.

As the Doyle Family Associate already has a relevant interest in 745,451 Shares representing a current voting power of 7.6%, the issue of further Shares to the Doyle Family Associate on exercise of the conversion rights under the Convertible Notes issued under the Convertibles Notes Subscription Agreement must first be approved by shareholders in accordance with s611, item 7 of the *Corporations Act 2001*.

The approval resolution must be passed as an ordinary resolution. Under section 611, item 7(a), neither the Doyle Family Associate nor its associates may vote on the resolution.

Under and in respect of the Convertible Notes:

- the issue price for the Shares is 15.0 cents per Share. The NSX closing price for Vertua Shares has been constant since 13 August 2015 at 10 cents per share;

- the Doyle Family Associate has not indicated whether or not it intends to exercise the option and, if so, to what extent;

- the Company currently has on issue 9,873,275 Shares and 9,700,000 2015 Options. Should the Shares to be issued to the Doyle Family Associate on completion of the Acquisition and all the conversion rights granted to the Doyle Family Associate be exercised, the percentage of Shares of all Shares on issue in the Company that the Doyle Family Associate would hold would be 11.4% assuming that the Manning Family Associates were to also exercise their conversion rights;

- the rights of conversion under the Convertible Notes were central to the Convertible Notes being issued on the terms that they were;

- the right of conversion may be exercised in respect of all or any of the Convertible Notes; and

- the other material terms of issue are summarised in section 5.2.

For the purposes of s611, item 7 of the *Corporations Act*, 2001 shareholders are additionally advised:

- at the date of this Notice, the Doyle Family Associate has a 7.6% voting power in the Company:

- the maximum extent of the increase in the Doyle Family Associate's voting power in the Company that would result from the acquisition of Shares on a full exercise of the conversion rights granted under the Convertible Notes would be 3.8%;

- the voting power that the Doyle Family Associate would have as a result of a full exercise of the conversion rights granted under the Convertible Notes would be 11.4%. This increase in voting power would not constitute a change in control of the Company. Such an increase would however represent a significant increase in the influence of the Dossor Family Associates over resolutions relating to the affairs of the Company;

- the Convertible Notes issue to the Doyle Family Associate is proposed as part of the financing terms for the Acquisition and the conversion rights under the Convertible Notes to so be issued are central to the financing having been agreed to be extended on current terms;

- the Convertible Notes are not assignable and may not be exercised in favour of a nominee;

- each Convertible Note entitles its holder to convert the Convertible Note into one Share, without payment of a conversion fee or any other amount. Convertible Notes, however, may only be converted by their holder if proportionately each other Convertible Note holder exercises its conversion rights at the same time;

- the Convertible Notes are redeemable in the situations referred to in section 3.5.2 of this Explanatory Statement;

- Shares may be issued in consequence of the exercise of conversion right under a Convertible Note. The conversion rights under the Convertible Notes may be exercised at any time within 5 years after their grant;

- subject to rounding, the maximum number of Shares that may be issued in consequence of the exercise of the conversion rights under the Convertible Notes Options must not on a post-dilution basis exceed 49.5% of all Shares then on issue;

- should shareholders pass resolution 4.3, the Dossor Family Associates intend that the Company will undertake the business activities described in section 1.11;

- the Doyle Family Associate does not intend that the Company engage its own direct employees;

- apart from the possible exercise of the conversion rights under the Convertible Notes, the Doyle Family Associate does not at this stage intend to inject further capital into the Company;

- the Doyle Family Associate does not intend that the Company undertake any asset transfers, any redeployment of fixed assets or any other material transaction by Vertua that is not disclosed to shareholders;

- the Doyle Family Associate has no intention to establish a new office for Vertua;

- Vertua continues to monitor its overall financial position, and given the limited capital available to the Company, does not, until further advice, intend to pay any dividends;

- Mr Ben Doyle is a director of both the Company and JPH. He is also a member of the class of discretionary objects of the Lily Bordeaux Trust, of which Lily Bordeaux is the corporate trustee. Mr Ben Doyle is, along with his wife, Ms Marie Doyle, a 50% shareholder in Lily Bordeaux. The two of them make up the Lily Bordeaux Board. Mr Doyle has no other interest in the outcome of this resolution; and

- no additional person is intended to be appointed a director of the Company in consequence of the issue of any Shares the subject of approval under resolution 4.3.

7.2 Associated shareholders

The shareholdings and the voting power of the Doyle Family Associate, the Dossor Family Associates, the Manning Family Associates and other Vertua shareholder before the merger (current and fully-diluted) and after the merger on a fully-diluted basis:

	Current	**Pre-merger (fully diluted)**	**Post-merger (fully diluted)**
Dossor Family Associates	1,590,900 (16.1%)	1,590,900 (8.1%)	17,059,358 (28.6%)
Manning Family Associates	1,956,259 (19.8%)	11,656,259 (59.6%)[10]	27,615,215 (46.4%)
Doyle Family Associate	745,451 (7.6%)	745,451 (3.8%)	6,778,150 (11.4%)
Other shareholders	5,580,665 (56.5%)	5,580,665 (28.5%)	8,120,552 (13.6%)

7.3 Independent expert's report

The independent expert, for the reasons set out in its report, has concluded that the Acquisition is fair and reasonable to the Vertua Shareholders. It is recommended that Shareholders read the report in its entirety when making a decision whether or not to vote in favour of resolution 4.3.

7.4 Requisite majority

Resolution 4.3 needs to be passed as an ordinary resolution. That is, this resolution need only be passed by more than 50% of all Shareholders present and voting, being entitled to do so, on this resolution.

7.5 Recommendation

Having regard to their interests and offices described in section 3.14 above, each of Mr James Manning and Mr Ben Doyle declines to make a recommendation on how Shareholders should vote on this resolution.

[10] The 2015 Options on issue may not be exercised to result in a voting power in respect of Vertua Shares on issue in excess of 49.9%.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of both Mr Manning and Mr Doyle in relation to this resolution, have closely considered the proposed giving of financial benefits and, including having regard to the opinion of the independent expert that the Acquisition is fair and reasonable to Vertua's Shareholders, recommend that Shareholders vote in favour of this resolution.

7.6 Voting exclusion statement

The Company will disregard any votes cast in favour of resolution 4.3 by the Doyle Family Associate and their associates. However, the Company need not disregard any such vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Doyle Family Associate or any of its associates.

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8. Resolution 5: NSX LR 6.25 and 6.44 approval of issue of Shares on conversion of Convertible Notes

8.1 NSX LR 6.25

Under NSX LR 6.25(1), the Company may not without shareholder approval in accordance with that rule issue Shares above the "15% in 12 months limit" calculated in accordance with that rule. Issues made with prior shareholder approval and certain other issues are not counted in making that calculation.

8.2 NSX LR 6.44

By resolution 5, the Company also seeks shareholder approval for the proposed issue of Shares under the Share Sale Agreement or on the exercise of the rights of conversion under the Convertible Notes issued under the Convertible Notes Subscription Agreement for the purposes of NSX LR 6.44. That listing rule requires that shareholders approve by special resolution an issue of equity securities to a related party except in presently irrelevant circumstances.

8.3 Required disclosure

The following information is disclosed for the purposes of this resolution:

(a) *Name*

Under the Share Sale Agreement, the Shares to be issued are to be issued to the current JPH Shareholders. Each JPH Shareholder is also to receive Convertible Notes in consideration for their JPH Shares. The Convertible Notes are to be issued under the Convertible Notes Subscription Agreement.

(b) *Securities to be issued*

Under the Share Sale Agreement, a total of 40,000,000 Shares are to be issued to JPH Shareholders in proportion to their shareholdings in JPH.

Under the Convertible Notes Subscription Agreement and subject to the 49.5% limit referred to in paragraph 8.3(f) below, a total of up to 40,000,000 Convertible Notes are to be issued, again to the JPH Shareholders. Each Convertible Notes entitles its holder on conversion to subscribe for one Share.

(c) *Issue date*

Shares to be issued under the Share Sale Agreement are, on the current timetable, anticipated to be issued on or about 22 January 2016. Convertible Notes subscribed for under the Convertible Notes Subscription Agreement are also, on the current timetable, anticipated to be issued on or about 22 January 2016.

Further Shares would be issued in consequence of the exercise of the right of conversion under the Convertible Notes to be issued. That conversion right may be exercised by a holder of Convertible Notes at any time within 5 years after the issue of the relevant Convertible Note and only if each other then holder rateably exercises his own conversion rights under the Convertible Notes he then holds.

The Company may also elect to convert all or any of the Convertible Notes on issue after the third anniversary of their issue.

The Convertible Notes are also redeemable at the option of the Company or a holder on the fifth anniversary of the date of issue of the Convertible Note; at the option of the holder, following specified default events in relation to the Company; and at the option of the holder, on the occurrence of specified change in law events.

New Shares issued on exercise of a Convertible Note holder's conversion rights are to rank equally with all other shares then on issue in the Company.

(d) *Relationships*

The JPH Shareholders' relationships with the Company have been described in sections 3.7 to 3.9, sections 4.2 to 4.4 and sections 5.1, 6.1 and 7.1 above.

(e) *Issue price*

The issue price of each Share under the Share Sale Agreement is $0.15 per Share.

The issue price of each Convertible Note on completion of the Acquisition is $0.15. Each Convertible Note has a nil exercise price.

(f) *Terms of convertible notes and Shares*

The Convertible Notes, on exercise of the right of conversion, entitle their holders to subscribe for Shares at a price of $0.15 per Share. Subject to the occurrence of condition precedent discussed above, the conversion rights may be exercised at any time during the exercise period. Subject to rounding, the maximum number of Shares that may be issued in consequence of the exercise of the right of conversion under the Convertible Notes is the greater of 40,000,000 Shares and that maximum number of Shares that equals on a post-dilution basis 49.5% of all Shares then on issue.

(g) *Intended use of funds raised*

Generally, no funds will be raised by the issue of Shares at the time of their issue; the Shares then issued form part of the consideration payable by Investments for the JPH Shares.

The funds raised by the Convertible Notes when issued will be used to pay the outstanding cash component of the purchase consideration for the JPH Shares from JPH Shareholders under the Share Sale Agreement. Prior to their conversion, those funds would be in the form. Shares issued in consequence of the exercise of the conversion right under the Convertible Notes would effectively retire that debt at the rate of one $0.15 Convertible Note for every one Share issued at $0.15.

8.4 Requisite majority

Resolution 5 needs to be passed as a **special resolution**. That is, this resolution needs to be passed by **not less than 75%** of all Shareholders present and voting, being entitled to do so, on this resolution.

8.5 Recommendation

Having regard to his interests and offices described above, each of Mr Manning and Mr Ben Doyle declines to make a recommendation on how Shareholders should vote on this resolution.

Mr Chris Bregenhoj, who has no interest in the outcome of this resolution and who acts independently of Mr Manning and Mr Doyle in relation to this resolution, has closely considered the proposed giving of financial benefits and recommends that Shareholders vote in favour of this resolution.

8.6 **Voting exclusion statement**

All shareholders may vote on this resolution.

GLOSSARY

2015 Options	the options issued in September 2015 to Manning Group on the HPM acquisition
2015 Annual Report	the financial statements, directors' report and auditor's report for the 9-month period ended 31 March 2015.
ACN	Australian Company Number.
Acquisition	the purchase by the Company of all the issued share capital of JPH under the Share Sale Agreement.
AEDT	Australian Eastern Daylight Time.
EGM	the Extraordinary General Meeting of the Company to be held on Wednesday, 20 January 2016, at 9:00 am (AEDT) at Carrington Forsyth, Level 5, 97 Pacific Highway, North Sydney NSW 2060.
ASIC	Australian Securities and Investments Commission.
Board	the board of Directors.
Company	Vertua Limited ACN 108 076 295.
Constitution	the constitution of the Company.
Convertible Note	means a convertible note issued under the Subscription Agreement.
COT	Continuity of Ownership Test.
Current Substantial Holders	is defined in section 1.12.4 of this Explanatory Statement.
Custodian	Manning Custodian Pty Ltd ACN 168 388 163.
Directors	the directors of the Company as at the date of the Notice.
Dossor Family Associate	each of Holicarl Pty. Limited ACN 081 781 802, Mr. David Malcolm Dossor and Mrs. Ruth Dianne Dossor.
Doyle Family Associate	each of Mr. Ben Doyle, Ms. Marie Doyle and Lily Bordeaux.
Doyle Related Party	Lily Bordeaux.

Entitlement Time	5.00 pm (AEDT) on Monday, 18 January 2016.
Explanatory Statement	the Explanatory Statement accompanying the Notice.
Georgina Manning	Georgina Gail Manning of 37 Woodville Avenue, Wahroonga, NSW 2076.
Group	Vertua and its controlled entities.
HPM	Horizon Print Management Pty Ltd ACN 158 922 242
Investments	Vertua Investments Ltd ACN 101 816 353.
James Manning	James Edward Manning, the Company's Managing Director.
JPH	Joe Public Holdings Pty Ltd ABN 31 164 946 712.
JPH Share	a fully paid ordinary share issued in the share capital of JPH.
JPH Shareholder	a holder of a JPH Share.
Lily Bordeaux	Lily Bordeaux Pty Limited ACN 126 275 250, in its capacity as trustee of the Lily Bordeaux Trust.
Managing Director	the Managing Director of the Company, Mr. James Manning.
Manning Family Associate	each of Custodian, Woodville and Ms. Georgina Manning and, on and from exercise of any of the 2015 Options, Manning Group.
Manning Group	Manning Group Pty Limited ACN 151 722 360
Manning Related Party	each of Woodville and Custodian.
Meeting or **EGM**	the Extraordinary General Meeting of the Company to be held on Wednesday, 20 January 2016, at 9:00 am (AEDT) at Carrington Forsyth, Level 5, 97 Pacific Highway, North Sydney NSW 2060.
Nexia Court	Nexia Court Financial Solutions Pty Ltd ACN 077 764 222, the independent expert, whose report accompanies these shareholder materials.
Notice	the notice convening the EGM.
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, as the case may be.
NSX Listing Rules or	The official listing rules of NSX and any other rules of NSX

NSX LR	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.
NSX Website	https://www.nsxa.com.au/; the Company's code is VERA.
Resolutions	the resolutions the subject of the Notice.
SBT	Same Business Test.
Share or Vertua Share	a fully paid class A ordinary share in the capital of the Company.
Share Sale Agreement	the agreement so entitled dated 15 October 2015 between the JPH Shareholders as sellers and Investments as purchaser for the purchase by Investments of all the issued share capital of JPH.
Shareholder	a person or company registered in the register of members of the Company as the holder of one or more Shares at the Entitlement Time.
Subscriber	a JPH Shareholder in the capacity of a subscriber under the Subscription Agreement.
Subscription Agreement	the agreement entitled Convertible Notes Subscription Agreement between the JPH Shareholders as subscribers and the Company dated 15 October 2015.
Vertua	Vertua Limited ACN 108 076 295.
Wealth Holding	Wealth Holding Trustees Ltd, incorporated in New Zealand.
Woodville	Woodville Superannuation Pty Limited ACN 149 955 180.