



V E R T U A

Vertua Limited

ACN 108 076 295

NOTICE OF 2017 ANNUAL GENERAL MEETING and EXPLANATORY STATEMENT

Date and Time of Meeting

Thursday 31 August 2017 at 10:00 am (AEST)

Venue

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 2017 ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of Shareholders of Vertua Limited ACN 108 076 295 (the **Company**) will be held on Thursday 31 August 2017, at 10:00 am (AEST) at Level 5, 97 Pacific Highway, North Sydney NSW 2060 (the **Meeting**).

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

Please refer towards the rear of the Explanatory Statement accompanying this Notice for a glossary of 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.

ORDINARY BUSINESS

1. Item 1: Financial statements and reports

To receive and consider the Annual Report of the Company for the financial year ended 31 March 2017, which includes the Annual Financial Report of the Company, the Directors' Report and the Auditor's Report.

2. Resolution 1: Remuneration report

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

"That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Company adopts the Remuneration Report for the financial year ended 31 March 2017 included in the Directors' Report of the Company for that year."

Voting exclusion statement

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

- (a) a member of the key management personnel (**KMP**) details of whose remuneration are included in the 2017 Remuneration Report; or
- (b) a closely related party (as that term is defined in the *Corporations Act 2001*) (such as close family members of any controlled companies) (Closely Related Party) of such a member of the KMP.

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

- (a) the proxy appointment is in writing and specifies the way the proxy is to vote on the resolution; or
- (b) the vote is cast by the person chairing the Meeting and the appointment:
 - (i) does not specify the way the proxy is to vote; and
 - (ii) expressly authorises the chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Note: under section 250R(3) of the *Corporations Act 2001*, the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. Resolution 2: Re-election of Director – Mr Benjamin Doyle

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


"That Mr Benjamin Doyle, who retires by rotation in accordance with rule 12.9 of the Constitution of the Company, and being eligible, offers himself for re-election as a

Director, be re-elected as a Director of the Company effective at the close of this Meeting."

Voting exclusion statement

All shareholders may vote on this resolution.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'Christopher Bregenhoj', written over a horizontal line.

Christopher Bregenhoj
Chairman

20 July 2017

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 7:00pm am (AEST) on Tuesday 29 August 2017 (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 Resolutions 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.

On a show of hands every Shareholder has one vote, and on a poll, every Shareholder has one vote for each fully paid class A share held in the capital of the Company.

Appointment of Proxies

- (a) A Proxy Form accompanies this Notice.
- (b) A Shareholder entitled to attend and vote at the Meeting has the right to appoint a proxy.
- (c) A proxy need not be a shareholder of the Company.
- (d) Where more than one proxy is appointed by a Shareholder who is entitled to do so, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.
- (e) To be valid, the proxy form must be received by the share registrar of the Company, Link Market Services Limited, by no later than 7:00pm (AEST) on Tuesday, 29 August 2017 (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 Chief Financial Officer, Mr Christos Kyriakiedes, on +61 2 8624 6110.

EXPLANATORY STATEMENT

IMPORTANT INFORMATION

This Explanatory Statement has been prepared for the information of Shareholders of Vertua Limited ACN 108 076 295 (the **Company**) in connection with the Resolutions and other business to be considered at the Annual General Meeting of Shareholders convened to be held at the Company's offices on Thursday 31 August 2017 at 10.00am (AEST) at Level 5, 97 Pacific Highway, North Sydney NSW 2060 (the **Meeting**).

This Explanatory Statement has been prepared for the benefit of Shareholders in accordance with the applicable provisions of the NSX Listing Rules and the *Corporations Act 2001* to provide them with sufficient information to ensure that they are informed of all substantial matters relevant to the Resolutions and other business proposed to be considered at the Meeting as notified in the accompanying Notice of Annual General Meeting (the **Notice**).

Shareholders should read this Explanatory Statement in full. Its individual sections do not give a comprehensive review of the Resolutions. Further, this Explanatory Statement should be read in conjunction with the Notice and the Glossary that appears at the end of the Notice, where various terms used in both the Notice and this Explanatory Statement are defined. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

If you are in any doubt about what to do in relation to the Resolutions and other business contemplated in the Notice and Explanatory Statement, you should seek advice from an accountant, solicitor or other professional adviser.

INTRODUCTION

The Meeting is being held so that the Directors can table the financial statements and reports of the Company and the Company's auditor for the financial year ended 31 March 2017 and so that Shareholders can vote on the re-election of Directors. This is known as the ordinary business of the Meeting.

ORDINARY BUSINESS

1. ITEM 1: FINANCIAL STATEMENTS AND REPORTS

1.1 Background to Item 1

The *Corporations Act 2001* and the Constitution of the Company require the financial statements, Directors' Report (including the remuneration report) and Auditor's Report for the financial year ended 31 March 2017 be tabled at the Meeting, and the Constitution of the Company provides for such statements and reports to be received and considered at the Meeting.

1.2 Corporations Act 2001 requirements

Neither the *Corporations Act 2001* nor the Constitution of the Company requires a vote of Shareholders at the Meeting on such statements and reports.

However, the Meeting provides a forum for Shareholders to ask questions and make comments on the Company's financial statements and reports and on the business operations of the Company for the financial year ended 31 March 2017.

In addition, in accordance with section 250T of the *Corporations Act 2001*, a representative of the Company's auditor is required to be in attendance at the Meeting.

Shareholders may ask the audit representative questions at the Meeting on the following matters:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in its conduct of the audit.

Shareholders may submit written questions to the auditor on the above items. Any written questions to the auditor must be submitted to the Company by no later than 5:00pm on the fifth business day before the date of the Meeting, i.e., by 5.00pm on Wednesday 23 August 2017.

2. RESOLUTION 1 - REMUNERATION REPORT

2.1 Shareholder approval

Pursuant to section 250R(2) of the *Corporations Act 2001*, the Board is seeking the approval of Shareholders to adopt the Remuneration Report for the financial year ended 31 March 2017, by way of an advisory resolution.

2.2 Corporations Act 2001 requirements

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

The Remuneration Report forms part of the Directors' Report, which is contained in the Annual Report of the Company for the financial year ended 31 March 2017.

Section 250R(3) of the *Corporations Act 2001* requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to a vote.

However, pursuant to section 250R(3) of the *Corporations Act 2001*, the vote on the resolution is advisory only and does not bind the Directors or the Company.

Notwithstanding this, the Directors will take into account the discussion on this item and the outcome of this vote when considering future remuneration arrangements of the Company, particularly in light of the obligations of the Directors pursuant to Division 9 of Part 2G.2 of the *Corporations Act 2001*.

Additionally, section 250SA of the *Corporations Act 2001* requires that a reasonable opportunity be allowed to Shareholders at the Meeting to ask questions about, or make comments on, the Remuneration Report.

Furthermore, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Meeting, the Company is required to put to Shareholders at the Company's 2018 Annual General Meeting a resolution (**a Spill Resolution**) proposing the calling of another general meeting (**a Spill Meeting**) to consider the appointment of Directors of the Company. However, a Spill Resolution will only be put to the vote at the Company's 2018 Annual General if at least 25% of votes are also cast against the adoption of the 2018 Remuneration Report at the 2018 Annual General Meeting.

If a Spill Resolution is put to vote at the Company's 2018 Annual General Meeting, and more than 50% of Shareholders vote in favour of the Spill Resolution, the Company is required to convene a Spill Meeting within 90 days of the Company's 2018 Annual General Meeting. All of the Directors who were in office when the Company's 2018 Directors' Report was approved, other than the Managing Director of the Company, would cease to hold office immediately before the end of the Spill Meeting but may

stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.

2.3 Voting exclusion statement

Directors with a material interest in the outcome of this resolution may not vote and if they do their votes will not be counted.

3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR – MR BENJAMIN DOYLE

3.1 Shareholder approval

In accordance with rule 12.9 of the Constitution of the Company, Mr Benjamin Doyle is retiring as a Director of the Company by rotation, and seeks re-election as a Director.

3.2 Company Constitution requirements

Rule 12.9 of the Constitution requires that one-third of the Directors of the Company, other than the Managing Director and those retiring having filled a casual vacancy, retire at each annual general meeting of the Company. Rule 12.9 requires that the Directors who retire pursuant to the rule are those that have held office the longest since being elected or appointed.

3.3 Recommendation

The Directors, apart from Mr Doyle, unanimously recommend that Shareholders vote in favour of Resolution 2.

3.4 Voting exclusion statement

All shareholders may vote on this resolution.

GLOSSARY

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

ACN	Australian Company Number.
AEST	Australian Eastern Standard Time.
ASIC	Australian Securities and Investments Commission.
Company	Vertua Limited ACN 108 076 295 of Level 5, 97 Pacific Highway, North Sydney, New South Wales 2060.
Directors	The directors of the Company as at the date of the Notice and Explanatory Statement.
Entitlement Time	7:00 pm (AEST) on Tuesday 29 August 2017.
Explanatory Statement	The Explanatory Statement accompanying the Notice.
Meeting	The Annual General Meeting of the Company convened to be held on Thursday 31 August 2017 at 10.00am (AET) at the Company's offices, Level 5, 97 Pacific Highway, North Sydney, New South Wales 2060.
Notice	The notice convening the 2017 Annual General Meeting of Shareholders of the Company.
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.
NSX Listing Rules	The official listing rules of NSX and any other rules of NSX which are applicable while the Company is admitted to the official list of NSX, each as amended or replaced from time to time, except to the extent of any express written waiver by NSX.
Remuneration Report	The remuneration report of the Company, included in the Directors' Report for the financial year ended 31 March 2017.
Resolutions	The resolutions the subject of the Notice.
Share	A fully paid class A share in the capital of the Company.
Shareholder(s)	A person or company registered in the register of members of the Company as the holder of one or more Shares as at the Entitlement Time.
Spill Resolution	The resolution required by the <i>Corporations Act 2001</i> to be put to Shareholders at the 2017 Annual General Meeting of the Company proposing the calling of a Spill Meeting to consider the appointment of Directors of the Company.
Spill Meeting	The general meeting of Shareholders required to be convened by the Company within 90 days of the Company's 2018 Annual General Meeting pursuant to the <i>Corporations Act 2001</i> following the approval of a Spill Resolution by more than 50 % of Shareholders.