
BERONI GROUP LIMITED**ACN 613 077 526****NOTICE OF ANNUAL GENERAL MEETING**

TIME: 11:00am AEST**DATE:** 30 May 2018**PLACE:** Level 36 Gateway,
1 Macquarie Place,
Sydney NSW 2000

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 4036

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am AEST on 30 May 2018 at:

Level 36 Gateway,
1 Macquarie Place,
Sydney NSW 2000

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined that pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm AEST on 28 May 2018.

VOTING IN PERSON

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

VOTING BY PROXY

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

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
 - the proxy need not be a member of the Company; and
 - a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
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Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the Directors, the Directors' Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as attached to this notice of AGM for the financial year ended 31 December 2017."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity):

- a) by or on behalf of any of the following persons:
 - (i) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
 - (ii) a Closely Related Party of such a member.
- b) if the appointment does not specify the way the proxy is to vote on the resolution.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTORS

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

- a) *"That **Mr Yap Ting (Peter) Wong**, having been appointed as a director on 30 September 2016, retires in accordance with clause 20.2 of the Constitution and, having offered himself for re-election and being eligible, is re-elected as a Director."*
- b) *"That **Mr Changbin (Chris) Deng**, having been appointed as a director on 30 September 2016, retires in accordance with clause 20.2 of the Constitution and, having offered himself for re-election and being eligible, is re-elected as a Director."*

Resolution 2(a) and Resolution 2(b) will be voted on as separate ordinary resolutions.

4. RESOLUTION 3 – RATIFICATION OF ISSUE OF PRIOR PLACEMENT

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

"That, for the purpose of NSX Listing Rule 6.25, and for all other purposes, Shareholders ratify the allotment and issue of 5,796,597 fully paid ordinary shares on 18 December 2017, details of which are set out in the explanatory statement accompanying this notice of meeting."

Voting Prohibition Statement:

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a) A person who participated in the above issue and any of the associates of such person;
However, the Company needs not disregard a vote if:
- b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- c) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – RATIFICATION OF ISSUE OF PRIOR PLACEMENT

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

"That, for the purpose of NSX Listing Rule 6.25, and for all other purposes, Shareholders ratify the allotment and issue of 2,360,565 fully paid ordinary shares on 11 April 2018, details of which are set out in the explanatory statement accompanying this notice of meeting."

Voting Prohibition Statement:

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- a) A person who participated in the above issue and any of the associates of such person;
However, the Company needs not disregard a vote if:
- b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- c) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – ISSUE OF NEW SHARES IN THE COMPANY

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

"That, for the purpose of NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue and allotment of up to 3,751,887 fully paid ordinary shares at an issue price of \$0.65 per share to raise up to \$2,438,726.55 on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."

Voting Prohibition Statement:

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- a) Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution 5 is passed;

However, the Company needs not disregard a vote if:

- b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- c) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY

To consider and, if thought fit, to pass, with or without amendment, Resolutions 6(a), 6(b), 6(c), 6(d) and, 6(e) will be voted on as **special resolutions** and Resolution 6(f) as an **ordinary resolution**:

- a) *"That, for the purpose of Chapter 2E of the Corporations Act, NSX Listing Rule 6.44, NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 500,000 fully paid ordinary shares to the Director, Mr Boqing Zhang (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*
- b) *"That, for the purpose of Chapter 2E of the Corporations Act, NSX Listing Rule 6.44, NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 120,000 fully paid ordinary shares to the Director, Mr Hai Huang (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*
- c) *"That, for the purpose of Chapter 2E of the Corporations Act, NSX Listing Rule 6.44, NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 100,000 fully paid ordinary shares to the Director, Mr Libing Guo (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*
- d) *"That, for the purpose of Chapter 2E of the Corporations Act, NSX Listing Rule 6.44, NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 120,000 fully paid ordinary shares to the Director, Mr Yap Ting (Peter) Wong (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*
- e) *"That, for the purpose of Chapter 2E of the Corporations Act, NSX Listing Rule 6.44, NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 40,000 fully paid ordinary shares to the Director, Mr Changbin (Chris) Deng (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*
- f) *"That, for the purpose of NSX Listing Rule 6.25, and for all other purposes, Shareholders approve the issue of up to 80,000 fully paid ordinary shares to the company secretary, Mr Chen Chik (Nicholas) Ong (or his nominees) on the terms and conditions set out in the explanatory statement accompanying this notice of meeting."*

Resolutions 6(a), 6(b), 6(c), 6(d) and 6(e) will be voted on as separate special resolutions.

Resolution 6(f) will be voted on as an ordinary resolution.

Voting Prohibition Statement:

For the purpose of Chapter 2E of the Corporations Act and NSX Listing Rule 6.44 the Company will disregard any votes cast on:

- a) Resolution 6 (a) by Mr Boqing Zhang and any of his associates;
- b) Resolution 6 (b) by Mr Hai Huang and any of his associates;
- c) Resolution 6 (c) by Mr Libing Guo and any of his associates;
- d) Resolution 6 (d) by Mr Yap Ting (Peter) Wong and any of his associates;
- e) Resolution 6 (e) by Mr Changbin (Chris) Deng and any of his associates;

However, the Company needs not disregard a vote by the above persons if:

- f) it is cast by the person as proxy for a person who is entitled to vote, under the directions on the proxy voting form; or
- g) it is not cast by the person on behalf of a related party or associate of a kind of the above persons.

For the purpose of NSX Listing Rule 6.25, the Company will disregard any votes cast in favour of the resolutions by or on behalf of:

- a) Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution 5 is passed;

However, the Company needs not disregard a vote if:

- b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form; or
- c) it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 30 APRIL 2018

BY ORDER OF THE BOARD

MR CHEN CHIK (NICHOLAS) ONG
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on NSX website <https://www.nsx.com.au/ftp/news/021734946.PDF> or by contacting the Company on +61 (8) 9486 4036.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The Remuneration Report is as attached to the 2017 Annual Report.

The Chair of the meeting will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (other than the managing director) who were in office at the date of approval of the applicable directors' report (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will 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 of the company is approved will be the directors of the company.

2.3 Chair voting undirected proxies

The Chair intends to cast all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

3. RESOLUTIONS 2 – RE-ELECTION OF DIRECTORS

The Constitution provides that unless otherwise determined by a resolution of the Company, while the Company is listed, one third of the Directors for the time being, or if their number is not a multiple of 3, then the whole number nearest one third, must retire from office at each annual general meeting. A Director who retires or whose office is vacated under this Constitution will be eligible for election or re-election to the Board.

RESOLUTIONS 2(a) – RE-ELECTION OF MR YAP TING (PETER) WONG AS A DIRECTOR

Mr Yap Ting (Peter) Wong, who was appointed to the Board on 30 September 2016 retires at this Annual General Meeting in accordance with clause 20.2 of the Constitution, and being eligible, seeks re-election as a director at the Meeting.

Details of Mr Yap Ting (Peter) Wong's background and experience are set out in the Annual Report.

The Board (other than Mr Yap Ting (Peter) Wong) unanimously supports the re-election of Yap Ting (Peter) Wong as a director.

RESOLUTIONS 2(b) – RE-ELECTION OF MR CHANGBIN (CHRIS) DENG AS A DIRECTOR

Mr Changbin (Chris) Deng, who was appointed to the Board on 30 September 2016 retires at this Annual General Meeting in accordance with clause 20.2 of the Constitution, and being eligible, seeks re-election as a director at the Meeting.

Details of Mr Changbin (Chris) Deng's background and experience are set out in the Annual Report.

The Board (other than Mr Changbin (Chris) Deng) unanimously supports the re-election of Changbin (Chris) Deng as a director.

4. RESOLUTIONS 3&4 – RATIFICATION OF ISSUE OF PRIOR PLACEMENTS

On 18 December 2017, the Company announced that it had issued 5,796,597 fully paid ordinary shares in the Company at an issue price \$0.54 each pursuant to the placement offer made to a sophisticated investor (**December 2017 Placement**).

On 11 April 2018, the Company announced that it was seeking to raise up to A\$3,973,093.80 through the placement of 6,112,452 fully paid ordinary shares in the Company without disclosure to professional and sophisticated investors at an issue price of A\$0.65 (**April 2018 Placement**). The Company issued 2,360,565 Shares at an issue price \$0.65 each utilising the Company's existing placement capacity under NSX Listing Rule 6.25 ("**Tranche 1 Placement**"). Resolution 5 seeks Shareholder approval for issuance of the remaining 3,751,887 Shares under April 2018 Placement for \$2,438,726.55 ("**Tranche 2 Placement**").

NSX Listing Rule 6.25 provides that a listed company must not, without shareholder approval, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid Equity Securities on issue at the commencement of that 12 month period (subject to specified exceptions). The passing of this resolution will mean that the shares described below do not count towards the 15% limit, thereby providing the Company with considerable flexibility in meeting any short-term requirements for raising additional capital should it be necessary.

The following information is provided to Shareholders for the purposes of Listing Rule 6.25:

- (a) The total number of securities issued was 8,157,162 ordinary Shares.

- (b) As announced to the NSX on various dates prior to the date of this Notice the following Equity Securities have been issued:

| | Date of Issue | Equity Security | Number Issued | Issue Price | Terms |
|-------------------------|------------------|-----------------|---------------|-------------|--|
| December 2017 Placement | 18 December 2017 | Shares | 5,796,597 | \$0.54 | Pari passu with Shares already on issue. |
| Tranche 1 Placement | 11 April 2018 | Shares | 2,360,565 | \$0.65 | Pari passu with Shares already on issue. |

- (c) The Shares have been issued on the same terms as the Company's existing ordinary shares. The issued ordinary shares will rank equally in all respects with the Shares already on issue.
- (d) The Shares were allotted to various professional and sophisticated investors. No Shares were issued to any related parties or associates of the Company.
- (e) The Company successfully applied for quotation of the 8,157,162 Shares on NSX.
- (f) The Company has used the funds raised from these share placements towards general working capital and investment for the Company.
- (g) A voting exclusion statement is included in the Notice of Meeting.

As Resolutions 3 and 4 are ordinary resolutions, they must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolutions.

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 3 and 4 to ratify the December 2017 Placement and the Tranche 1 Placement.

The Chairman of the Meeting will cast undirected proxies in favour of Resolutions 3 and 4. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 3 and 4, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. RESOLUTION 5 – ISSUE OF NEW SHARES IN THE COMPANY

Resolution 5 seeks Shareholder approval for the Tranche 2 Placement for the Board to allot and issue up to 3,751,887 Shares at an issue price of \$0.65 per share to raise up to \$2,438,726.55 in order for the Company to seek additional funding for investing in various business opportunities and its working capital requirements **(Immediate Capital Raising)**.

Accordingly, in accordance with NSX Listing Rule 6.25, Shareholder approval is sought to allow the Company to issue up to 3,751,887 Shares at an issue price of \$0.65 per share pursuant to the proposed Immediate Capital Raising. As a result, the new Shares to be issued by the Company under the Immediate Capital Raising will not be included in the Company's 15% annual capacity for the purposes of NSX Listing Rule 6.25.

The following information is provided to Shareholders for the purposes of Listing Rule 6.25:

- (a) the total number of Shares which may be issued under Resolution 5 is a maximum of 3,751,887;
- (b) the recipients are professional and/or sophisticated investors who are unrelated parties;
- (c) no securities pursuant to Resolution 5 will be issued to Directors of the Company or their associates;
- (d) the securities will be allotted and/or issued progressively no later than three (3) months after the date of this Annual General Meeting;

- (e) the Shares will be issued at a price of \$0.65 per share;
- (f) the shares will rank pari passu with ordinary shares already on issue;
- (g) the Company will use the funds raised from the Tranche 2 Placement towards general working capital and investment for the Company; and
- (h) A voting exclusion statement is included in the Notice of Meeting.

As Resolution 5 is an ordinary resolution, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

The Directors unanimously recommend that shareholders to vote in favour of Resolution 5 to approve the issue of shares.

The Chairman of the Meeting will cast undirected proxies in favour of Resolution 5. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 5, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

6. RESOLUTION 6 – ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY FOR SERVICES

Resolution 6 seeks Shareholder approval to permit the Directors, Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong, Changbin (Chris) Deng, and the company secretary Chen Chik (Nicholas) Ong (or their nominees) to be issued, in aggregate 960,000 Shares as set out below:

| | Position | Number of share | Consideration |
|--------------------------|-------------------|-----------------|---------------|
| Boqing Zhang | Director | 500,000 | Services |
| Hai Huang | Director | 120,000 | Services |
| Libing Guo | Director | 100,000 | Services |
| Yap Ting (Peter) Wong | Director | 120,000 | Services |
| Changbin(Chris) Deng | Director | 40,000 | Services |
| Chen Chik (Nicholas) Ong | Company Secretary | 80,000 | Services |

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company without the Shareholders approval unless the benefit falls within one of the various exceptions to the general prohibition. A “related party” for the purposes of the Corporations Act is defined broadly and includes a director of the Company. “Financial Benefit” has a wide meaning and includes the issue of securities by a public company.

The proposed offer of Shares to Directors Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong, and Changbin (Chris) Deng (or their nominees) will form part of their remuneration package. Given the circumstances of the Company and the Directors, the Directors consider that the proposed grant of Shares would constitute reasonable remuneration. Notwithstanding this, the Board has resolved that the Company should also seek Shareholder approval pursuant to Chapter 2E of the Corporations Act as a matter of good corporate governance.

Information required by Chapter 2E of the Corporations Act

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of the resolution

- a) The related parties to whom Resolutions 6(a) to 6(e) would permit the benefit to be given are Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong and Changbin (Chris) Deng, by virtue of being Directors.
- b) The nature of the financial benefit:
- (i) 500,000 Shares to Boqing Zhang;
 - (ii) 120,000 Shares to Hai Huang;
 - (iii) 100,000 Shares to Libing Guo;
 - (iv) 120,000 Shares to Yap Ting (Peter) Wong; and
 - (v) 40,000 Shares Changbin (Chris) Deng.

- c) Reasons for giving the benefit

The Shares are being issued to Directors as a reward for past performance.

- d) The existing relevant interest if the Related Parties in securities of the Company are set out below:

| Related Party | Shares | Options |
|-----------------------|-------------------------|---------|
| Boqing Zhang | 35,255,782 ¹ | Nil |
| Hai Huang | Nil | Nil |
| Libing Guo | Nil | Nil |
| Yap Ting (Peter) Wong | Nil | Nil |
| Changbin(Chris) Deng | Nil | Nil |

¹ Boqing Zhang, Libing Guo and Hai Huang are shareholders of Beroni Technology Limited (incorporated in Seychelles) holding 64.4%, 11.04% and 4.6% respectively.

- e) Total remuneration package

| Related Party | Current Financial Year (\$) | Previous Financial year (\$) |
|-----------------------|-----------------------------|------------------------------|
| Boqing Zhang | 40,000 | Nil |
| Hai Huang | 30,000 | Nil |
| Libing Guo | 20,000 | Nil |
| Yap Ting (Peter) Wong | 40,000 | Nil |
| Changbin(Chris) Deng | 30,000 | Nil |

f) Dilution

A total of 880,000 Shares would be issued to the directors. The Company's issued share capital will increase the number of Shares on issue from 62,538,248 to:

- (i) 63,418,248 (assuming no other Shares are issued) with the effect that existing Shareholders will be diluted by 1.4%; or
- (ii) 67,250,135 (assuming all other Shares for which approval is sought under this Notice of Meeting are issued) with the effect that existing Shareholders will be diluted by 1.3%.

g) Valuation of the financial benefit to be given

The value of the Shares is set out below:

| Related Party | Number of Shares | Market Value based on the closing price on 18 April 2018 of \$1.05 per Share |
|-----------------------|------------------|--|
| Boqing Zhang | 500,000 | \$525,000 |
| Hai Huang | 120,000 | \$126,000 |
| Libing Guo | 100,000 | \$105,000 |
| Yap Ting (Peter) Wong | 120,000 | \$126,000 |
| Changbin(Chris) Deng | 40,000 | \$42,000 |

h) Other Information

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass the Resolution.

NSX Listing Rule 6.44 requires a listed company to obtain Shareholder approval by special resolution prior to the issue of securities to a related party. For the purposes of Listing Rule 6.44, the following information is provided about the proposed issue:

- (a) The Shares will be issued to Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong and Changbin (Chris) Deng, being Directors of the Company.
- (b) The maximum number of Shares to be issued to related parties is as follows:
 - (i) 500,000 Shares to Boqing Zhang;
 - (ii) 120,000 Shares to Hai Huang;
 - (iii) 100,000 Shares to Libing Guo;
 - (iv) 120,000 Shares to Yap Ting (Peter) Wong; and
 - (v) 40,000 Shares Changbin (Chris) Deng.
- (c) the Shares will be issued in consideration for services and at a deemed issue price of \$1.05 per Share. Accordingly, no funds will be raised.
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any NSX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date.
- (e) the Shares will rank pari passu with existing Shares already on issue.

- (f) A voting exclusion statement is included in the Notice.

NSX Listing Rule 6.25 provides that a listed company must not, without shareholder approval, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid Ordinary Securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Accordingly, in accordance with NSX Listing Rule 6.25, Resolution 6 seeks to allow the Company to issue up to 960,000 fully paid ordinary shares to the Directors, Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong, Changbin (Chris) Deng, and the company secretary Chen Chik (Nicholas) Ong (or their nominees) for services and at a deemed issue price of \$1.05 per Share so that the new shares to be issued by the Company under Resolution 6 will not be included in the Company's 15% annual capacity for the purposes of NSX Listing Rule 6.25.

The following information is provided to Shareholders for the purposes of NSX Listing Rule 6.25:

- (a) the total number of Shares which may be issued under Resolution 6 is a maximum of 960,000;
- (b) the recipients are the directors Boqing Zhang, Hai Huang, Libing Guo, Yap Ting (Peter) Wong, and Changbin (Chris) Deng and the company secretary Chen Chik (Nicholas) Ong;
- (c) the Shares may be allotted and/or issued progressively no later than three (3) months after the date of this Annual General Meeting;
- (d) the Shares will be issued in consideration for services and at a deemed issue price of \$1.05 per Share;
- (e) the Shares will rank pari passu with existing Shares already on issue;
- (f) no funds will be raised by the Company for Shares issued under Resolution 6; and
- (g) A voting exclusion statement is included in the Notice of Meeting.

Recommendations

- a) Boqing Zhang declines to make a recommendation to Shareholders in relation to Resolution 6(a) as he has a material personal interest in the outcome of Resolution 6(a). Boqing Zhang and his associates will not be entitled to vote on Resolution 6(a). Boqing Zhang recommends that Shareholders vote in favour of Resolutions 6(b) to 6(e) for the reasons set out below.
- b) Hai Huang declines to make a recommendation to Shareholders in relation to Resolution 6(b) as he has a material personal interest in the outcome of Resolution 6(b). Hai Huang and his associates will not be entitled to vote on Resolution 6(b). Hai Huang recommends that Shareholders vote in favour of Resolutions 6(a), 6(c) to 6(e) for the reasons set out below.
- c) Libing Guo declines to make a recommendation to Shareholders in relation to Resolution 6(c) as he has a material personal interest in the outcome of Resolution 6(c). Libing Guo and his associates will not be entitled to vote on Resolution 6(c). Libing Guo recommends that Shareholders vote in favour of Resolutions 6(a), 6(b), 6(d) and 6(e) for the reasons set out below.
- d) Yap Ting (Peter) Wong declines to make a recommendation to Shareholders in relation to Resolution 6(d) as he has a material personal interest in the outcome of Resolution 6(d). Yap Ting (Peter) Wong and his associates will not be entitled to vote on Resolution 6(d). Yap Ting (Peter) Wong recommends that Shareholders vote in favour of Resolutions 6(a) to 6(c) and 6(e) for the reasons set out below.
- e) Changbin(Chris) Deng declines to make a recommendation to Shareholders in relation to Resolution 6(e) as he has a material personal interest in the outcome of Resolution 6(e). Changbin(Chris) Deng and his associates will not be entitled to vote on Resolution 6(e). Changbin(Chris) Deng recommends that Shareholders vote in favour of Resolutions 6(a) to 6(d) for the reasons set out below.
- f) In forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Shares to be issued. Further, Director's interest in the outcome of the proposed resolution.

The Directors unanimously recommend that shareholders approve Resolution 6(f) to approve the issue of Shares to Chen Chik (Nicholas) Ong.

As each of the Resolutions 6(a), 6(b), 6(c), 6(d) and 6(e) is a special resolution, it must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution.

As Resolution 6(f) is an ordinary resolution, it must be approved by more than 50% of the total number of votes cast by Shareholders entitled to vote on the resolution.

The Chairman of the Meeting will cast undirected proxies in favour of the Resolution 6. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 6, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

7. ENQUIRIES

Shareholders are required to contact the Company Secretary, Mr Chen Chik (Nicholas) Ong, on (+61 8) 9486 4036 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

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

ASIC means the Australian Securities and Investments Commission.

Board means the current board of directors of the Company.

Chair means the Chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means BERONI GROUP LIMITED (ACN 613 077 526).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that NSX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Notice or Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

NSX means National Stock Exchange of Australia Limited ABN 11 000 902 063 or the National Stock Exchange, as the context requires.

NSX Listing Rules means the Listing Rules of NSX.

Ordinary Securities has the meaning set out in the NSX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the Remuneration Report as attached to this notice of AGM.

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

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a holder of a Share.



BERONI GROUP LIMITED
ACN 613 077 526

LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

2018 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Beroni Group Limited and entitled to attend and vote hereby:

APPOINT A PROXY



The Chairman of
the meeting

OR



PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at Level 36 Gateway, Macquarie Place, Sydney NSW 2000 on 30 May 2018 at 11:00am AEST and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 (except where I/we have indicated a different voting intention below) even though this Item is connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chairman. I/we acknowledge the Chairman of the Meeting intends to vote all undirected proxies available to them in favour of each Item of Business.

VOTING DIRECTIONS

Agenda Items

| | For | Against | Abstain* | | For | Against | Abstain* |
|---|--------------------------|--------------------------|--------------------------|---|--------------------------|--------------------------|--------------------------|
| 1 ADOPTION OF REMUNERATION REPORT | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(a) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2(a) RE-ELECTION OF DIRECTORS – YAP TING (PETER) WONG | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(b) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2(b) RE-ELECTION OF DIRECTORS – CHANGBIN (CHRIS) DENG | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(c) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 RATIFICATION OF ISSUE OF PRIOR PLACEMENT | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(d) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 RATIFICATION OF ISSUE OF PRIOR PLACEMENT | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(e) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 ISSUE OF NEW SHARES IN THE COMPANY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6(f) ISSUE OF SHARES TO DIRECTORS AND COMPANY SECRETARY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)



Joint Shareholder 2 (Individual)



Joint Shareholder 3 (Individual)



Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address



Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on an item, your vote on that item will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chairman) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Item 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Item 1.

PLEASE NOTE: If you appoint the Chairman as your proxy (or if they are appointed by default) but do not direct them how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), the Chairman may vote as they see fit on that item.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11:00am AEST on 28 May 2018, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033