



WELLARD LIMITED
ACN 607 708 190

NOTICE OF GENERAL MEETING

The general meeting of the Company will be held at Rydge's Esplanade Hotel, 46-54 Marine Terrace, Fremantle, Western Australia on Friday, 26 May 2017 at 10.00am (WST).

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9432 2800

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

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Wellard Limited
ACN 607 708 190

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of Wellard Limited (**Company**) will be held at Rydge's Esplanade Hotel, 46-54 Marine Terrace, Fremantle, Western Australia on Friday, 26 May 2017 at 10.00am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 24 May 2017 at 5.00pm (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

1. RESOLUTION 1 - APPROVAL OF ISSUE OF CONVERTIBLE NOTES

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 12,650,000 Convertible Notes on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the Convertible Note issue and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

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

2. RESOLUTION 2 - RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 7,350,000 Convertible Notes on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Convertible Note issue and any associate of that person.

The Company will not disregard a vote if:

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

3. RESOLUTION 3 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER PLACEMENT

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 25,000,000 Shares on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Placement and any associate of that person/ those persons.

The Company will not disregard a vote if:

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

Dated: 19 April 2017

By order of the Board

Michael Silbert
Company Secretary

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Rydge's Esplanade Hotel 46-54 Marine Terrace, Fremantle, Western Australia on Friday, 26 May 2017, 10.00am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolution will be voted.

A Proxy Form is located at the end of this Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolution.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10.00am (WST) on 24 May 2017, being at least 48 hours before the Meeting

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. BACKGROUND - COMPANY FUNDRAISING INITIATIVE

On 3 April 2017 the Company announced that it was undertaking a fundraising initiative to raise a total of approximately \$52 million (before costs) (**Fundraising**).

The Fundraising consists of:

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- (a) a non-renounceable pro rata entitlement offer of new Shares at an issue price of \$0.185 each, on the basis of one new Share for every four Shares held on the record date (11 April 2017), to raise approximately \$19.7 million (before costs) (**Entitlement Offer**);
 - (b) a placement of 25,000,000 Shares to institutional investors (**Placement**) (further details of which are set out in Section 6); and
 - (c) an issue of US\$20,000,000 in Convertible Notes (further details of which are set out in Section 4). The issue of Convertible Notes will take place in two tranches:
 - (i) first tranche: the issue of 7,350,000 Convertible Notes (**Tranche 1 Convertible Notes Issue**); and
 - (ii) second tranche: the issue of 12,650,000 Convertible Notes (**Tranche 2 Convertible Notes Issue**).

This Notice sets out the Resolutions necessary to complete the Fundraising and to allow the Company to refresh its 15% placement capacity following the Fundraising. A summary of the Resolutions is as follows:

- (a) approval for the issue of Tranche 2 Convertible Notes (Resolution 1);
- (b) ratification of the prior issue of the Tranche 1 Convertible Notes (Resolution 2); and
- (c) ratification of the prior issue of Shares pursuant to the Placement (Resolution 3).

4. RESOLUTION 1 - APPROVAL OF ISSUE OF CONVERTIBLE NOTES

4.1 General

As announced by the Company on 3 April 2017, the Company has entered into a subscription agreement to issue 20 million Convertible Notes to sophisticated and institutional investors at US\$1.00 per Convertible Note to raise a total of US\$20 million (before costs) (**Subscription Agreement**). Pursuant to the Subscription Agreement, Convertible Notes will be issued to subscribers in two tranches (the Tranche 1 Convertible Notes Issue and the Tranche 2 Convertible Notes Issue).

Resolution 1 seeks Shareholder approval for the Tranche 2 Convertible Notes Issue, which is the issue of 12,650,000 Convertible Notes at an issue price of US\$1.00 each.

Subject to the terms on which the Convertible Notes are issued, Noteholders may convert their Convertible Notes into Shares. The number of Shares to be issued to a Noteholder upon conversion will depend on the number of Convertible Notes they elect to convert and the Redemption Amount (refer to Schedule 2 for a summary of the key terms). The issue of Shares upon conversion of a Convertible Note will not require further Shareholder approval (due to Exception 4 to Listing Rule 7.1, as provided for by Listing Rule 7.2). Shares issued upon conversion of a Convertible Note will be issued on the same terms and conditions and will rank equally with existing Shares.

None of the subscribers under the Tranche 2 Convertible Notes Issue are a related party or an associate of a related party of the Company.

Funds raised from the Tranche 2 Convertible Notes Issue will be used for working capital.

The Board believes that Resolution 1 is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 1.

Resolution 1 is an ordinary resolution.

4.2 Effect of the Issue

The principal effect of the Tranche 2 Convertible Notes Issue on the Company will be to:

- (a) increase the Company's cash reserves by approximately US\$12,650,000 (before costs);
- (b) increase the number of Convertible Notes on issue from 7,350,000 to 20,000,000; and
- (c) increase the Company's indebtedness by the amount of the aggregate face value of the Convertible Notes (US\$12,650,000) plus all accrued and unpaid interest.

The Noteholders may convert all or a part of the Convertible Notes into Shares at US\$0.21 per Share, provided that the conditions to conversion are satisfied (see Schedule 2 for a summary of the conversion conditions). If the Convertible Notes are converted in whole or in part, this will dilute existing shareholders in the Company who do not participate in the Convertible Notes issue.

The effect of the Tranche 2 Convertible Notes Issue on the Company's capital structure is as follows:

	Number of Shares	Number of Convertible Notes
As at the date of this Notice (after Entitlement Offer, Placement and Tranche 1 Convertible Notes Issue)	425,000,000	7,350,000
To be issued under the Tranche 2 Convertible Notes Issue	nil	12,650,000
Total	425,000,000	20,000,000

Assuming the Convertible Notes are converted to Shares, the overall capital structure of the Company will be as follows:

	Number of Shares	Number of Convertible Notes
Before conversion of any Convertible Notes (after Entitlement Offer)	531,250,000	20,000,000
Upon conversion of all Tranche 1 Convertible Notes	566,250,000	12,650,000
Upon conversion of all Convertible Notes (Tranche 1 and Tranche 2)	626,488,095	nil

4.3 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, 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.

The effect of Resolution 1 will be to allow:

- (a) the Directors to issue the Tranche 2 Convertible Notes during the period of three months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity; and
- (b) the Company to issue Shares upon conversion of the Convertible Notes (if any).

4.4 Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Issue as follows:

- (a) The number of Convertible Notes to be issued is 12,650,000.
- (b) The Convertible Notes will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The issue price of the Convertible Notes is US\$1.00.
- (d) The Tranche 2 Convertible Notes will be issued as follows:
 - (i) 3,352,250 Convertible Notes will be issued to Black Crane;
 - (ii) 8,855,000 Convertible Notes will be issued to Tradeinvest; and
 - (iii) 442,750 Convertible Notes will be issued to Penta.

- (e) The key terms of the Convertible Notes are summarised in Schedule 2.
- (f) The Company intends to use the funds raised from the issue of the Convertible Notes for working capital.
- (g) The Issue will occur on the day that is three business days after the following conditions have been satisfied:
- (i) Shareholders have approved Resolution 1; and
 - (ii) no event of default has occurred and is continuing in respect of the Convertible Notes.
- (h) A voting exclusion statement is included in the Notice for Resolution 1.

4.5 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

5. RESOLUTION 2 - RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

5.1 General

On 11 April 2017 7,350,000 Convertible Notes were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1 (the Tranche 1 Convertible Notes Issue). The Noteholders may convert all or a part of the Convertible Notes into Shares at US\$0.21 per Share, provided that the conditions to conversion are satisfied (see Schedule 2 for a summary of the conversion conditions).

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more 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.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of Shares under the Tranche 1 Convertible Notes Issue did not breach Listing Rule 7.1.

The effect of passing Resolution 2 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2

5.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Tranche 1 Convertible Notes Issue as follows:

- (a) 7,350,000 Convertible Notes were issued on 11 April 2017 as follows:
- (i) 1,947,750 Convertible Notes were issued to Black Crane;

- (ii) 5,145,000 Convertible Notes were issued to Tradeinvest; and
- (iii) 257,250 Convertible Notes were issued to Penta.
- (b) The issue price of the Convertible Notes was US\$1.00 per Convertible Note.
- (c) The key terms of the Convertible Notes are summarised in Schedule 2.
- (d) The Company intends to use the funds raised from the issue of the Convertible Notes for working capital.
- (e) A voting exclusion statement is included in the Notice for Resolution 2.

5.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2.

6. RESOLUTION 3 - RATIFICATION OF PLACEMENT

6.1 General

On 7 April 2017 the Company issued 25,000,000 shares under the Placement each at \$0.24 per Share to raise a total of \$6,000,000 (before costs). The Shares issued under the Placement were issued using the Company's 15% placement capacity under Listing Rule 7.1

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more 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.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of Shares under the Placement did not breach Listing Rule 7.1.

The effect of passing Resolution 3 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

6.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 25,000,000 Shares were issued on 7 April 2017 as follows:
- (i) 15,000,000 Shares were issued to Fulida;
- (ii) 7,500,000 Shares were issued to Tradeinvest; and
- (iii) 2,500,000 Shares were issued to Innovation Bloom.

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- (b) The Shares were issued at \$0.24 per Share.
 - (c) The Shares were issued on the terms and conditions as the Company's existing Shares.
 - (d) The Company intends to use the funds raised from the Placement for working capital.
 - (e) A voting exclusion statement is included in the Notice for Resolution 3.

6.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Balzarini Family Members means Mauro Balzarini, Giovanna Boventi Faroni (his partner), and/or Marite Balzarini, Roberto Balzarini and Valentina Balzarini (his children).

Black Crane means Black Crane Capital Limited as investment manager and for and on behalf of the Black Crane Asia Opportunities Fund.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Company means Wellard Limited (ACN 607 708 190).

Convertible Notes means unsecured convertible notes issued by the Company on the terms set out in Schedule 2.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Entitlement Offer has the meaning given in Section 3.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Fulida means Hongkong Fulida International Trading Company Limited.

Fundraising has the meaning given in Section 3.

Innovation Bloom means Innovation Bloom Limited.

Intesa Review Event means the review event under the facility agreement dated 26 May 2016, between, among others, Ocean Shearer Pte. Ltd, the Company and Intesa in relation to the Company's ship finance in respect of the MV Ocean Shearer, as amended, if shares in the Company cease to be at least 12.5% directly or indirectly owned by Balzarini Family Members and/or entities that are directly or indirectly controlled by Balzarini Family Members.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Noteholder means a holder of a Convertible Note from time to time.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Penta means Penta Asset Management Limited.

Placement has the meaning given in Section 3.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Tradeinvest means Tradeinvest Asset Management Company (BVI) Limited.

Tranche 1 Convertible Notes Issue has the meaning given in Section 3.

Tranche 2 Convertible Notes Issue has the meaning given in Section 3.

US\$ means United States Dollars.

VWAP has the meaning given to 'volume weighted average market price' in the Listing Rules.

WST means Australian Western Standard Time, being the time in Perth, Western Australia.

SCHEDULE 2: KEY TERMS OF CONVERTIBLE NOTES

A summary of the rights and liabilities attaching to the Convertible Notes is detailed below. The summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Noteholders.

Securities offered	Each Convertible Note is convertible into Shares, which will be listed on the ASX and rank equally with all other Shares.
Currency	United States dollars.
Face Value	US\$1.00 per Convertible Note.
Maturity Date	36 months after date of issue.
Conversion price	US\$0.21 per Share (subject to adjustment to the conversion ratio as set out below).
Interest	6% p.a. paid semi annually, provided that any accrued (but unpaid) interest in respect of a Convertible Note will also be paid on any redemption date or conversion date of that Convertible Note.
Ranking of Convertible Notes	Each Convertible Note will rank pari passu with all other unsecured and unsubordinated indebtedness of the Company except indebtedness preferred solely by operation of law.
Conversion	<p>Each Convertible Note is convertible into Shares at the election of the Noteholder, so long as the following conditions are satisfied:</p> <ul style="list-style-type: none"> (a) the conversion is for a minimum of 1,000,000 Convertible Notes (or, if less, the balance held by the Noteholder); (b) the conversion must not result in the Intesa Review Event being triggered; <p style="padding-left: 40px;">This condition ceases to apply 18 months after the issue date of the Tranche 1 Convertible Notes; and</p> <ul style="list-style-type: none"> (c) if the Noteholder is a foreign person, it must have obtained any FIRB approval it requires for its acquisition of the Shares. <p>If the Company receives a conversion notice from a Noteholder, the Company (subject to certain conditions) may, but is not obliged to, elect to cash settle instead of issuing Shares, by paying the Noteholder the 15 day volume-weighted-average-price (VWAP) of each Share that would otherwise have been issued. The right to cash settle only applies to the extent that the issue of Shares would result in the Shares ceasing to be at least 13.50% directly or indirectly owned by entities that are directly or indirectly controlled by Balzarini Family Members.</p>
Redemption and Repayment	<p><i>At maturity:</i> The Company must redeem all Convertible Notes (to the extent they have not been redeemed or converted earlier) on the maturity date.</p> <p><i>At option of the Company:</i> The Company may at any time after the later of 18 months after the issue date of the Tranche 1 Convertible Notes and the date the Intesa Review Event ceases to apply, redeem Convertible Notes if the 7 day VWAP is equal</p>

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	<p>to at least \$0.38.</p> <p><i>On default:</i> If an Event of Default occurs and while it is continuing, the Noteholders may demand immediate redemption of their Convertible Notes.</p>
<p>Financial covenant</p>	<p>The Convertible Notes include a financial covenant which requires Wellard Rural Exports Pty Ltd ABN 31 109 866 328 (WRE) to ensure that at all times the 'Working Capital Ratio' is at least 1.20:1.00. The 'Working Capital Ratio' is the ratio of:</p> <p>(a) the sum of (A) all debts (excluding GST) invoiced by WRE that are not past 90 days, plus (B) the value of WRE's inventory, plus (C) all cash held by WRE, plus (D) A\$3,500,000 provided that Wellard Animal Processing Pty Ltd ABN 96 118 342 859 (WAP) owns the Beaufort River Meats business and has no outstanding Financial Indebtedness (essentially amounts incurred in the nature of borrowing) other than the Convertible Notes, the guarantee in favour of CBA for the Company's working capital facility or owing to the Company, WRE or Wellard Feeds Pty Ltd ABN 52 009 248 195 (WF) minus (E) trade creditors of WRE in respect of inventory, minus (F) any 'Financial Indebtedness' of WRE that ranks senior to the Convertible Notes;</p> <p>to</p> <p>(b) the sum of (A) amounts outstanding under the Convertible Notes, plus (B) all other 'Financial Indebtedness' of WRE, minus (C) any 'Financial Indebtedness' of WRE that ranks senior to the Convertible Notes, minus (D) any 'Financial Indebtedness' owed by WRE to the Company, WAP, WF or any other Wellard group company that has agreed that 'Financial Indebtedness' owing to it by WRE will be subordinated while an Event of Default is continuing.</p> <p>Subject to certain conditions, if there is a breach of the financial covenant, it may be cured by a loan or equity being provided to WRE in such amount that the financial covenant (when tested on the basis of that loan or equity) is satisfied.</p>
<p>Events of Default</p>	<p>Including but not limited to:</p> <p>(a) non-payment by the Company or the guarantors of any amounts owing under the Convertible Notes;</p> <p>(b) breach of a financial covenant, that is not cured within 30 days;</p> <p>(c) any other obligation or representation by the Company or the guarantors under the Convertible Notes is breached and is not remedied within 15 business days;</p> <p>(d) cross default in respect of other 'Financial Indebtedness' of the Company or the guarantor, subject to A\$5 million threshold;</p> <p>(e) insolvency or insolvency proceedings of the Company or the guarantors; or</p> <p>(f) the Company is delisted from ASX, or its shares are suspended from ASX for more than 7 consecutive trading</p>

	days (excluding trading halts).
Security	<p>The Convertible Notes are unsecured.</p> <p>The Convertible Notes are guaranteed by the following subsidiaries of the Company:</p> <ul style="list-style-type: none"> (a) WRE; (b) WF; and (c) WAP.
Transferability	Convertible Notes are transferable to sophisticated investors or professional investors at the election of the Noteholder, subject to minimum transfer parcels of 1,000,000 Convertible Notes (or, if less, the balance held by the Noteholder), provided that the consent of the Company is required (not to be unreasonably withheld) unless an Event of Default has occurred and is continuing.
Adjustment of conversion ratio	If there is a reconstruction (including, consolidation, subdivision, reduction or return) of the issued capital of the Company, the basis for conversion of the Convertible Notes will be reconstructed in the same proportion as the issued capital of the Company is reconstructed and in a manner which will not result in any additional benefits being conferred on the Noteholder which are not conferred on shareholders.
ASX Listing	The Convertible Notes will not be quoted on the ASX or any other securities exchange.
Governing law	Western Australia, Australia.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Wellard Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Wellard Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10:00am (WST) on Friday, 26 May 2017 at Rydge's Esplanade Hotel, 46-54 Marine Terrace, Fremantle WA 6160 (the Meeting)** and at any postponement or adjournment of the Meeting.


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Approval of Issue of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue of Shares Under Placement	<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 SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder'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).



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STEP 1

STEP 2

STEP 3

HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities 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 securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

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 the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities 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.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach 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 also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the 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 form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (WST) on Wednesday, 24 May 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Wellard Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

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