

HOLISTA COLLTECH LIMITED

ABN 24 094 515 992



NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM AND PROXY FORM

Date of Meeting

Tuesday, 29 November 2011

Time of Meeting

2.00 pm (WST)

Place of Meeting

Kings Perth Hotel
525 Hay Street, Perth WA 6000

ANNUAL REPORT

The 2011 Annual Report is available from the Company's website via the following link:

<http://www.holistaco.com>

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Holista CollTech Ltd (**Company** or **Holista CollTech**) is to be held on Tuesday, 29 November 2011, at Kings Perth Hotel, 525 Hay Street, Perth WA 6000 commencing at 2.00 pm (WST).

The Explanatory Memorandum that accompanies and forms part of this Notice describes the matters to be considered at this meeting.

ORDINARY BUSINESS

Financial Report

To receive and consider the financial report for the year ended 30 June 2011 together with the directors' report and auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ending 30 June 2011.”

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by, or on behalf of:

- a member of the key management personnel (“KMP”) as disclosed in the Remuneration Report;
- a closely related party of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the Proxy Form. The Company's KMP's are set out in the Remuneration Report. Generally speaking they are people having authority and responsibility for planning, controlling and directing the Company's activities in a direct or indirect manner. KMP's include the Directors, and senior executives of the Company.

A closely related party of key management personnel generally speaking means a spouse, child, or dependent of the KMP, or a child or dependant of the spouse of the KMP. It includes anyone else who is a member of the KMP's family who would influence or may be expected to influence the KMP in relation to his or her dealings with the Company. It also includes any company which is controlled by the KMP, and includes any other people prescribed as closely related parties by ASIC in the regulations to the Corporations Act (none are prescribed at this time).

Resolution 2 – Re-election of Director – Dato Dr Fathil Bin Mohamed

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Dato Dr Mohamed, being a director of the Company who retires by rotation in accordance with Clause 13.2 of the Company's Constitution and being eligible and offering himself for re-election, be re-elected as a Director of the Company.”

Resolution 3 – Re-election of Director – Mr Benjamin Donovan

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr Donovan, being a director of the Company who, having been appointed on 4 October

2011, retires in accordance with Clause 13.5 of the Company's Constitution and being eligible and offering himself for re-election, be re-elected as a Director of the Company."

SPECIAL BUSINESS

Resolution 4: Approval of Employee Share Option Plan

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

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is hereby given for the establishing of an Employee Share Option Plan and the granting of options under that Employee Share Option Plan, and the issue of fully paid ordinary shares in the capital of the Company pursuant to those options, from time to time upon the terms and conditions specified in the rules of the Employee Share Option Plan (which are summarised in the Explanatory Statement) as an exception to ASX Listing Rule 7.1"

Voting Exclusion Statement

In accordance with ASX Listing Rules 7.2 (Exception 9(b)) and 14.11, the Company will disregard any votes cast on this Resolution by a director of the Company (except a director who is ineligible to participate in any employee incentive scheme in relation to the Company) or by an associate of the director. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting 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 THIS 20 OF OCTOBER 2011 BY
ORDER OF THE BOARD**



Ben Donovan
Company Secretary

IMPORTANT NOTES:

1. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the shareholder. A proxy need not be a shareholder of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (eg the Company Secretary).
2. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the shareholder's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.
3. A proxy form is attached. A separate form must be used for each proxy. An additional form can be obtained by writing to Computershare Investor Services Pty Ltd at GPO Box 242, Melbourne, VIC, 3001 or by calling 1300 850 505. Alternatively, you may photocopy the attached form.

4. A duly completed proxy form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company's share registry, Computershare Investor Services Pty Ltd not less than 48 hours before the time for commencement of the meeting. Please send by post to GPO Box 242, Melbourne, VIC, 3001, Australia, or via fax to 1800 783 446.
5. Any corporate member who has appointed a person to act as its corporate representative at the meeting should provide that person appropriate written documentation executed in accordance with the Corporations Act 2001 evidencing that the person is authorised to act as that company's representative. Please contact the Company Secretary if you require an appointment of corporate representative form. The authority may be sent to the Company in advance of the meeting or handed in at the meeting when registering as a corporate representative.
6. For the purposes of Section 1074E(2) of the Corporations Act and Regulation 7.11.37 of the *Corporations Regulations 2001*, the Company determines that members holding ordinary shares at 2.00 pm (WST) on Sunday, 27 November 2011 will be entitled to attend and vote at the Annual General Meeting.
7. The Explanatory Memorandum attached to this Notice forms part of this Notice.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Holista CollTech Limited (**Company** or **Holista CollTech**).

The Directors recommend shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Financial Statements and Report

Under the Corporations Act, the directors of the Company must table the financial report, the directors' report and the auditor's report for Holista CollTech for the year ended 30 June 2011 at the meeting.

These reports are set out in the 2011 Annual Report. Shareholders who elected to receive a printed copy of annual reports should have received the 2011 Annual Report with this Notice of Annual General Meeting. In accordance with section 314 (1AA)(c) of the Corporations Act 2001, the Company advises the 2011 Annual Report is available from the Company's website (<http://www.holistaco.com>).

Shareholders will be given reasonable opportunity at the meeting to ask questions and make comments on the financial report, the directors' report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is set out in the Directors Report in the Company's Annual Report for the period ending 30 June 2011. This report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for Directors and key executives of the Company.

Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. This resolution seeks this approval. However, in accordance with section 250R(3) of the Corporations Act, Shareholders should note that this resolution is an "advisory only" resolution which does not bind the Directors of the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under recent reforms to the Corporations Act, if 25% or more of the vote on this resolution are against adopting the Remuneration Report, the Company will be required to consider and report to Shareholders in the next Remuneration Report on what action (if any) has been taken in response to Shareholder concerns, and if no action is proposed to be taken, the Board's reasons for this.

Shareholders also need to be aware that as a result of the new legislation which became effective on 1 July 2011 a "two strikes" process will apply to the results of voting in relation to Resolution 1. This means that if the resolution proposing adoption of the Remuneration Report receives a "no" vote of over 25% of votes cast by those attending in person or by proxy and permitted to vote, at two successive annual general meetings, then at the Company's 2012 annual general meeting, an extra resolution must be put to the meeting proposing that another general meeting should be held within 90 days of the second annual general meeting. A simple majority of over 50% of the votes cast at the 2012 annual general meeting is required to pass this extra resolution. If the resolution is passed, within 90 days another general meeting must be held at which all the Directors, except the Managing

Director and any new Directors appointed since the date of the 2012 annual general meeting, will be required to resign and offer themselves for re-election. These provisions are colloquially referred to as the “two strikes rule” and the “spill resolution” to be put to the “spill meeting”.

If at the spill meeting, the resolutions are all passed against re-electing the relevant Directors, the legislation includes a mechanism to ensure the Board continues with the statutory required minimum of 3 Directors. After the managing director, the remaining two positions will be filled by the Directors whose re-election resolutions at the spill meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for two Directors, the Managing Director and any other Director whose re-election has been confirmed at this spill meeting, can choose who is to become the third Director, with such appointment to be confirmed by shareholders at the 2013 annual general meeting. The ramifications of this mechanism being invoked include that the Company would not be in compliance with its corporate governance policies as a result of not having three independent directors on the Company’s audit committee or any other committees requiring independent directors.

The Chairman intends to vote all available proxies in favour of adopting the Remuneration Report.

Resolution 2 – Re-election of Director – Dato Dr Fathil Bin Mohamed

Clause 13.2 of the Constitution requires that at the annual general meeting, one third of the Directors for the time being, or if their number is not a whole number, the whole number nearest to a third, shall retire from office, provided always that no director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting themselves for re-election. A retiring director is not eligible for re-election. D

Dr Fathil retires by rotation in accordance with the Company’s Constitution and, being eligible, offers himself for re-election.

Dr Fathil has a PhD in Microbiology and Genetic Engineering, and has over 25 years as an entrepreneur. Dr Fathil is a former lecturer at the National University of Malaysia in the areas of microbiology, molecular biology and food science. He has first hand and in-depth experience in food manufacturing and global marketing and was one of the first to introduce domestic Malaysian savoury products onto the shelves of supermarkets across the globe.

Dr Fathil was instrumental in the development of the Halal Certification and Standards in Malaysia, and worked closely with Jabatan Kemajuan Islam Malaysia (“JAKIM”) during this time. Dr. Fathil is one of the pioneers and the key promoter of the concept of Quality and Traceability of Halal products for the Muslim market. During the period he was constantly engaged on lecture tours propagating the concept to parts of Europe, Middle East countries, the United States, Thailand and the Philippines.

Board Recommendation

The Board (other than Dr Fathil) recommends Shareholders vote in favour of the Resolution.

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

Resolution 3 – Re-election of Director – Mr Benjamin Donovan

Clause 13.5 of the Constitution allows the Directors to appoint at any time a person to be a Director

as an addition to the existing Directors. Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election.

Mr Donovan having been appointed as a director of the Board on 4 October 2011, retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

Mr. Donovan holds a Bachelor of Commerce (Honours) in finance and commercial law. He is a director and company secretary of several ASX listed and public unlisted companies. He is a Chartered Secretary and currently provides corporate advisory and consultancy services to a number of companies. Mr Donovan spent three years with the Perth office of ASX, providing ASX listing rule advice as Senior Adviser, to listed companies. Prior to joining the ASX, Mr Donovan worked for a boutique stockbroking institution in Perth focusing on stock broking and corporate advisory areas.

Board Recommendation

The Board (other than Mr Donovan) recommends Shareholders vote in favour of the Resolution.

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

Resolution 4 – Adoption of an Employee Share Option Plan

The Board wishes to establish an Employee Share Option Plan ("ESOP") in order to provide an incentive to employees and contractors.

Listing Rule 7.1

Listing Rule 7.1 provides, in summary that, subject to certain conditions, the Company must not issue or agree to issue equity securities, including options, in any 12 month period equal to more than 15% of the Shares of the Company at the beginning of the 12 month period, except with prior Shareholder approval in general meeting of the precise terms and conditions of the proposed issue.

Exception to Listing Rule 7.1

One of the exceptions to Listing Rule 7.1 is Listing Rule 7.2 (Exception 9(b)), which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within 3 years before the date of the issue, shareholders have approved the issue of securities under the employee incentive scheme as an exception to Listing Rule 7.1.

Resolution 4 seeks Shareholder approval under Listing Rule 7.2 (Exception 9(b)), for the establishment of an ESOP, and the ability to grant Options under that ESOP (and the issue of Shares on exercise of those options) from time to time as an exception to Listing Rule 7.1 for a period of 3 years commencing on the date of the Meeting without being required to count those securities as part of, and without reducing, the number of securities which the Company can issue under its annual 15% limit.

The impact is that for a period of three years the grant of Options, or issue of Shares upon exercise of Options, will be excluded from the number of securities used to determine the Company's annual 15% limit in each rolling 12 month period.

In accordance with Listing Rule 7.2 (Exception 9(b)), the following information is disclosed to Shareholders for the purposes of Resolution 4:

- (a) a summary of the terms and conditions of the ESOP is set out in the Schedule 1 attached to the Notice. A copy of the full terms of the ESOP will be sent free of charge to any shareholder upon request or is available to download from the Company's website;

- (b) There have been no Options granted under the ESOP; and
- (c) a voting exclusion statement in respect of Resolution 4 is included in the Notice.

The Chairman intends to vote all available proxies in favour of Resolution 4

DEFINITIONS

\$ means an Australian dollar.

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

ASX Listing Rules and **Listing Rules** mean the official listing rules of ASX.

Board means the board of directors of the Company.

Company or **Holista CollTech** means Holista CollTech Ltd (ABN 24 094 515 992)

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a Director of the Company and

Directors means the directors of the Company.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Annual General Meeting.

Meeting means the meeting of Shareholders convened by the Notice of Annual General Meeting.

Notice means this Notice of Annual General Meeting.

Remuneration Report means the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2011.

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

Shareholder means a shareholder of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF ESOP

The following is a summary only of the key terms and conditions of the ESOP to be adopted by Shareholders pursuant to Resolution 4:

- (a) **Entitlement to Participate:** the Board will determine in its discretion who is entitled to participate in the ESOP and issue an invitation to that person. The Board will consider factors such as skills, experience, length of service with the Company, record of employment and potential contribution to growth and profitability of the Company.
- (b) **Exercise Price:** the Board will determine in its discretion the exercise price of the Options.
- (c) **Expiry Date:** the lapsing date of an Option issued under the ESOP is at the date that the Board determines in its discretion at the time of the grant of that Option, but no later than 5 years from the date of issue of that option.
- (d) **Lapsing of Options:** the options of any participant in the ESOP will lapse immediately, and all rights in respect of the relevant person's Options will lapse upon the first to occur of:
 - i. its Expiry Date; or
 - ii. the making by the Board of a determination that the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or any of its subsidiaries; and the Option is on that account to be forfeited;
 - iii. 30 days following any person or corporation having a relevant interest in not less than 90% of the Shares;
 - iv. 10 days following the Company issuing a notice of meeting convening a meeting of Shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act);
 - v. 6 months after death, permanent illness or permanent physical or mental incapacity;
 - vi. 30 days following the Participant ceasing to be employed or engaged by the Company or any of its subsidiaries (or such later date that the Board determines in its absolute discretion) by virtue of the Participant resigning voluntarily.
- (e) **Exercise of Options:** Options granted under the ESOP are exercised by delivering to the Company's secretary (at a time when the Options may be exercised) a notice of exercise, tax file number, payment to the Company of the an amount equal to the Option Exercise Price multiplied by the number of Options which are being exercised.
- (f) **Quotation:** the Company will make an application for the Shares issued as a result of the Options being exercised to be quoted in accordance with the Listing Rules.
- (g) **New Issues:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 9 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

Holista CollTech Limited

ABN 24 094 515 992

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 HCT
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 2:00pm (WST) Sunday 27 November 2011

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the Annual Report:

www.colltechco.com

Update your securityholding, 24 hours a day, 7 days a week:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Holista Colltech Limited hereby appoint

☐

the Chairman
of the meeting

OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Holista Colltech Limited to be held at the Kings Perth Hotel, 525 Hay Street, Perth WA 6000 on Tuesday, 29 November 2011 at 2:00pm (WST) and at any adjournment of that meeting.

Important for Items 1 and 4 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Item 1 as set out below and in the Notice of Meeting and you are also expressly authorising the Chairman of the Meeting to exercise your proxy on **Item 4**. If you do not mark this box, and you have not directed your proxy how to vote on Items 1 and 4, the Chairman of the Meeting will not cast your votes on Items 1 and 4 and your votes will not be counted in computing the required majority if a poll is called on these items. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Items 1 and 4).

The Chairman of the Meeting intends to vote all available proxies in favour of Items 1 and 4 of business.

☐

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Item 1 (except where I/we have indicated a different voting intention below) and I/we also expressly authorise the Chairman of the Meeting to exercise my/our proxy on Item 4. I/We acknowledge that the Chairman of the Meeting may exercise my proxy even though Items 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel and/or even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2

Items of Business



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

ORDINARY BUSINESS

	For	Against	Abstain
Item 1 Adoption of Remuneration Report	☐	☐	☐
Item 2 Re-election of Director - Dato Dr Fathil Bin Mohamed	☐	☐	☐
Item 3 Re-election of Director - Mr Benjamin Donovan	☐	☐	☐

SPECIAL BUSINESS

Item 4 Approval of Employee Share Plan	☐	☐	☐
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The Chairman of the Meeting intends to vote all available proxies in favour of each item of business

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

/ /

HCT

999999A

Computershare +