



ACN 091 320 464

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting	29 February 2012
Time of Meeting	2.30 pm
Place of Meeting	Yuan Room, Level 2, Christie Conference Centre, 3 Spring Street Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING



NOTICE is hereby given that the Annual General Meeting of the shareholders of FarmWorks Australia Limited (the Company) will be held at 2.30pm on Wednesday 29 February 2012 at the Yuan Room, Level 2, Christie Conference Centre, 3 Spring Street, Sydney NSW 2000.

GENERAL BUSINESS

Financial Statements and Reports

To receive and consider the Financial Report of the Company and its controlled entities for the year ended 30 September 2011 and the related Directors' Report, Directors' Declaration and Independent Audit Report.

Resolution 1 – Remuneration Report

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

'That the Directors' Remuneration Report as set out in the Financial Report of the Company be adopted by the shareholders on the terms and conditions in the explanatory Memorandum.'

The vote on this resolution does not bind the Directors or the Company.

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

- a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if:

- a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Company's Key Management Personnel.

Resolution 2 – Election of Director

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

"That Mr Kevin Dart, who retires by rotation in accordance with clause 16.1 of the Constitution, being eligible, is re-elected as a Director of the Company."

Information regarding Mr Dart is set out in the Explanatory Memorandum.

Resolution 3 – Authority to Grant Options to Aliceson Rourke

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

"That, in accordance with Listing Rule 7.1 and for all other purposes, shareholders approve and authorise the grant of 100,000 Options to Aliceson Rourke (or her nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Aliceson Rourke, any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and an associate of those persons.

However, the Company need not disregard a vote if:

- a) it is cast by the 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 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.

Resolution 4 – Authority to Issue Fully Paid Ordinary Shares to Kirkwoods Corporate Relations

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

"That, in accordance with Listing Rule 7.1 and for all other purposes, shareholders approve and authorise the issue of 275,000 fully paid ordinary shares to Kirkwoods Corporate Relations (or its nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Kirkwoods Corporate Relations, any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and an associate of those persons.

However, the Company will not disregard a vote if:

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

Resolution 5 – Authority to Issue Fully Paid Ordinary Shares to a Director

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

"That, in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, shareholders approve and authorise the issue of 1,500,000 fully paid ordinary shares to Mr Mathew Denton (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Mathew Denton, any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and an associate of those persons.

However, the Company will not disregard a vote if:

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

Resolution 6 – Reduction of Share Capital

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

"That pursuant to and in accordance with sections 256B and 256C(1) of the Corporations Act 2001, and for all other purposes, the Company's issued capital be reduced, with effect from the passing of this resolution, in the following manner:

- (a) *the issued share capital be reduced from \$65,585,192 to \$6,434,226;*
- (b) *the reduction be made without any shares in the Company being cancelled or any payment to any Shareholders of any paid up share capital; and*
- (c) *by applying the resultant amount of cancelled paid up share capital of \$59,150,966 in eliminating the same amount in the carried forward accumulated losses account of the Company, and otherwise on the terms and conditions in the Explanatory Memorandum."*

OTHER BUSINESS

To deal with any other business that may be brought forward in accordance with the Constitution and the *Corporations Act 2001*.

VOTING ENTITLEMENTS

For the purpose of the Corporations Act, the Company has determined that all securities of the Company that are quoted securities at 7.00pm Australian Eastern Time on 27 February 2012 will be taken, for the purpose of the meeting, to be held by the persons who held them at this time.

PROXIES

A shareholder has the right to appoint a proxy, who need not be a member of the Company. If a shareholder is entitled to two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the Company's Registered Office, Level 18, 50 Cavill Avenue, Surfers Paradise Qld 4217 in person or by post to PO Box 40, Surfers Paradise Qld 4217 or by facsimile to the Company on 07 5526 8922 no later than 48 hours before the commencement of the meeting that is by 2.30pm on 27 February 2012. Any proxy form received after that time will not be valid for the scheduled meeting.

A proxy form is provided with this notice.

By Order of the Board,

A handwritten signature in black ink, appearing to read "L. Shutes", with a long, sweeping flourish extending to the right.

Larry Shutes
Chairman

ATTENDANCE AND VOTING AT THE MEETING

For the purpose of voting at the meeting, the Directors have determined that all shares in the Company are taken to be held by the persons who are registered as holding them at 7.00pm on 27 February 2012. The entitlements of shareholders to vote at the meeting will be determined by reference to that time.

You may vote by attending the meeting in person or by proxy (see below).

Ordinary resolutions require the support of more than 50% of those shareholders voting in person, by proxy, by representative or by attorney. Special resolutions require the support of at least 75% of those shareholders voting in person, by proxy, by representative or by attorney.

Every question arising at this Annual General Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's Constitution.

On a show of hands, every shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney will have one vote for each share held by that person.

PROXIES AND CORPORATE REPRESENTATIVES

A member who is entitled to attend and vote at the meeting may appoint a person, who need not be a member of the Company, as the member's proxy to attend and vote on behalf of the member.

A member who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

A proxy form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the proxy form included with this Notice and return it at least 48 hours prior to the meeting:

- by delivery to the registered office of FarmWorks Australia Limited, Level 18, 50 Cavill Avenue, Surfers Paradise Qld 4217; or
- by mail to FarmWorks Australia Limited, PO Box 40, Surfers Paradise Qld 4217; or
- by facsimile to facsimile number +61 7 5526 8922.

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

If a representative of a corporate shareholder or a corporate proxy is to attend the Annual General Meeting pursuant to section 250D of the Corporations Act 2001, a certificate of appointment of the representative must be produced prior to admission to the Annual General Meeting. Forms of appointment may be obtained from the Company's Share Registry.

Voting Prohibition by Proxy Holder

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 1; and
- (d) the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above.

EXPLANATORY MEMORANDUM



This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting ("**AGM**") of FarmWorks Australia Limited ACN 091 320 464 ("**FWA**" or the "**Company**").

Ordinary Business

Shareholders will be offered the opportunity to discuss the Annual Report, which includes the Financial Report, Director's Report and Auditor's Report for the financial year ended 30 September 2011.

There is no requirement for shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- to discuss the Financial Report, Directors' Report and Auditor's Report;
- to ask questions or make comment on the management of the Company;
- to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

Shareholders may also submit written questions to the Company's auditor, Pitcher Partners, if the question is relevant to the content of the Auditor's Report, or the conduct of its audit of Annual Report.

Please send any written questions for Pitcher Partners to Mr Mark Godlewski, Pitcher Partners, GPO Box 1615, Sydney, NSW 2001. Relevant written questions for the auditor must be delivered by 24 February 2012.

Resolution 1 – Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic investment objectives and current and emerging market practices.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of itself, a failure of shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act (Director and Executive Remuneration Act) which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, among others, into the Corporations Act, giving shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (Two Strikes Rule).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman will not cast undirected votes on Resolution 1.

Resolution 2 – Election of Director

“That Mr Kevin Dart, who retires by rotation in accordance with clause 16.1 of the Constitution, being eligible, is re-elected as a Director of the Company.”

Mr Dart was appointed as a Director in March 2009 and has been a director of numerous listed and unlisted public companies over the last twenty five years. Mr Dart has extensive experience and expertise in capital raisings, new listings, mergers and acquisitions, as well as cross border transactions in the United States, United Kingdom, Africa, Asia and India. He is a member of the Australian Institute of Company Directors.

The FarmWorks Australia Limited Board recommends shareholders pass the resolution to re-elect Mr Kevin Dart as a Director of FarmWorks Australia Limited.

Resolution 3 – Authority to Grant Options to Aliceson Rourke

Resolution 3 seeks shareholder approval in accordance with Listing Rule 7.1 for the grant of 100,000 options on the terms and conditions in Schedule 1 to Aliceson Rourke (or her nominee).

The Company is proposing to grant the options in consideration for corporate services and assistance provided by Aliceson Rourke whilst she was the Company Secretary. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the options upon the terms proposed. The Company could have remunerated Aliceson Rourke with a greater cash payment at the cessation of her employment in 2011. However, the Board considers it preferable for part of the remuneration to Aliceson Rourke be equity in the Company so as to maintain the Company's cash reserves. Resolution 3 is an ordinary resolution.

Listing Rule 7.1

The effect of passing Resolution 3 will be to allow the Directors to issue the options to Aliceson Rourke during the three (3) month period following the meeting (or such longer period of time as ASX may, in its discretion, allow pursuant to a waiver of Listing Rule 7.3.2), without using the Company's 15% placement capacity under Listing Rule 7.1.

Specific information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to Listing Rule 7.1:

- The maximum number of options to be granted is 100,000 options.
- The Company will issue and allot the options no later than three (3) months after the date of the AGM (or such longer period of time as ASX may in its discretion allow).
- Each option will be granted for nil cash consideration.
- The options will be granted to Aliceson Rourke (or her nominee).
- Each option entitles the holder to subscribe for one (1) ordinary fully paid share in the Company at an exercise price of \$0.10 and has an expiry date that is 3 years from the date of grant. Upon exercise of the options, the shares issued will rank pari passu with the Company's existing shares on issue. Further terms and conditions of the options are set out in Schedule 1 attached to this Notice.
- No funds will be raised by the grant of the options as they are being granted for nil cash consideration.
- A voting exclusion statement is included in the Notice.

Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by shareholders to pass Resolution 3.

Resolution 4 – Authority to Issue Shares to Kirkwoods Corporate Relations

Resolution 4 seeks shareholder approval in accordance with Listing Rule 7.1 for the issue of 275,000 fully paid ordinary shares in the Company to Kirkwoods Corporate Relations (or its nominee). Resolution 4 is an ordinary resolution.

Listing Rule 7.1

The effect of passing Resolution 4 will be to allow the Directors to issue the shares to Kirkwoods Corporate Relations during the three (3) month period following the meeting (or such longer period of time as ASX may, in its discretion, allow pursuant to a waiver of Listing Rule 7.3.2), without using the Company's 15% placement capacity under Listing Rule 7.1.

Specific information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to Listing Rule 7.1:

- The maximum number of shares to issue is 275,000.
- The Company will issue and allot the shares no later than three (3) months after the date of the AGM (or such longer period of time as ASX may in its discretion allow).
- The shares will be issued in lieu of cash payment of \$9,900.00 for services rendered.
- Each fully paid ordinary share issued ranks pari passu with the Company's existing shares on issue.
- The shares will be issued to Kirkwoods Corporate Relations (or its nominee).
- No funds will be raised from the issue of the shares as they were issued in consideration for the provision of consulting services to the Company.
- A voting exclusion statement is included in the Notice.

Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by shareholders to pass Resolution 4.

Resolution 5 - Authority to Issue of Fully Paid Ordinary Shares to a Director

Resolution 5 seeks shareholder approval in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act for the grant of 1,500,000 fully paid ordinary shares to Mr Mathew Denton (or his nominee) as follows:

The purpose of the grant of the shares to the Director, Mathew Denton, is for the Company to retain directors of high calibre and to provide cost effective remuneration to the Directors for their ongoing commitment and contribution to the Company in their role as a Director.

The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the shares upon the terms proposed. If the shares are not granted, the Company could remunerate Mr Denton for additional amounts of cash. However, the Board considers it reasonable for the remuneration of Mr Denton to have a cash component and an equity component to further align his Director interests with shareholders and maintain a the cash position for the Company.

The Company acknowledges that the grant of the shares to a non-executive Director is contrary to recommendation 8.2 of the Corporate Governance Principles and Recommendations. However, the Board considers the grant of shares to be reasonable in the circumstances given the Company's size, stage of development, and the need to attract and retain directors of high calibre, whilst still maintaining a cash reserve.

Listing Rule 10.11 and section 208 of the Corporations Act

Pursuant to Listing Rule 10.11, a related party of a listed Company is precluded from participating in any issue of securities in the company without the prior approval of shareholders. Pursuant to section 208 of the Corporations Act, a public company must obtain shareholder approval before giving a financial benefit to a related party.

Mr Denton is regarded as a related party of the Company by reason of his position as a Director.

Furthermore, shareholder approval of the grant of the shares under ASX Listing Rule 10.11 means that the grant of the shares will not reduce the Company's 15% placement capacity and shareholder approval is not required under ASX Listing Rule 7.1.

The Chairman will not cast undirected votes on Resolution 5.

Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Listing Rule 10.13 and section 219 of the Corporations Act require that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to Listing Rule 10.11 and Chapter 2E of the Corporations Act:

- The related party to whom the shares will be issued is Mr Mathew Denton (or his nominee).
- The maximum number of shares to be issued is 1,500,000.
- The Company will issue the shares no later than three (3) months after the date of the AGM (or such longer period of time as ASX may in its discretion allow).
- Each share will be issued for nil cash consideration.
- Each share will rank pari passu with the Company's existing shares on issue.
- A voting exclusion statement is included in the Notice.
- No funds will be raised by the issue of the shares as they are being granted for nil cash consideration.
- On the basis of the current listed share price, the Company has determined the value of one share is \$0.036 This valuation imputes a total value of \$54,000 to the shares.

Mr Denton has an interest in Resolution 5 and therefore believes it inappropriate to make a recommendation. The other Directors each recommend the issue of the 1,500,000 shares to Mr Denton as it aligns the interests of the Company and Mr Denton to maximise shareholder value.

The current relevant interest in security holdings of Mr Denton is specified as follows:

Director	Shares	Options
Mr Mathew Denton	Nil	Nil

The remuneration and emoluments from the Company to the Director, Mr Mathew Denton for both the current financial year and previous financial year is set out below:

Director	Current Financial Year (1)		Previous Financial Year	
	Salary \$	Options \$	Salary \$	Options \$
Mr Mathew Denton	10,000	Nil	30,000	Nil

(1) Financial year to date (1 October 2011– 31 January 2012).

If shareholders approve the issue of the shares, it will result in a dilution of all other shareholders' holdings in the Company of:

- 2.9% based on issued shares as at the date of this Notice;
- 2.6% on a fully diluted basis (including the Options and shares to be issued pursuant to Resolution 3 and 4).

As at the date of this Notice the historical share price information for the last three months is as follows:

	Price	Date
Highest	\$0.06	13/12/2011
Lowest	\$0.036	14/12/2011 to 23/01/2012
Last	\$0.036	23/01/2012

Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by shareholders to pass Resolution 5.

Resolution 6 – Reduction of Share Capital

Resolution 6 seeks shareholder approval for the Company to reduce its issued share capital (contributed equity) from \$65,585,192 to \$6,434,226. The proposed capital reduction will not involve the cancellation of any ordinary shares issued in the Company.

Reason for Capital Reduction

Up to the financial year ended March 2009, the Company has incurred substantial operating losses from expenditure on its previous activities. During the 2010 financial year business operations of the Company changed significantly with the acquisition of the FarmWorks group of companies following shareholder approval on 19 February 2010. Following the acquisition of FarmWorks, the Directors believe that it is now appropriate for the bulk of the Company's accumulated losses to be applied against its share capital. The Directors consider that it is beneficial for the Company to offset the carried forward losses in order to:

- ensure the recognition of the losses sustained from the Company's previous activities do not distort the Company's financial position going forward as a provider of rural products and services to a broad range of agricultural producers throughout the country;
- further simplify the presentation of the Company's equity section in its balance sheet and notes to and forming part of the financial statements.

Procedural Requirements

To enable the Company to make the capital reduction, section 256C(1) of the Corporations Act 2001, requires an ordinary resolution of the shareholders passed at a general meeting. Under section 256B(2) of the Corporations Act 2001, the capital reduction proposed for the Company is an equal reduction, because it:

- will relate only to ordinary shares;
- will apply to each holder of ordinary shares in proportion to the number of ordinary shares they hold; and
- the terms of the reduction will be the same for each holder of ordinary shares.

The requirements for an equal capital reduction are that the reduction is:

- fair and reasonable to the Company's shareholders as a whole;
- does not materially prejudice the Company's ability to pay its creditors; and
- is approved by shareholders passing a resolution at a general meeting.

Effective Date of the proposal

Under the Corporations Act 2001, the Company can act on the Resolution as soon as it has been approved by shareholders.

Taxation Considerations

As taxation consequences can vary between individual shareholders depending upon the circumstances of each individual shareholder and their shareholding, it is solely the responsibility of shareholders to inform themselves of the taxation implications of passing Resolution 6. In order to so inform themselves, shareholders should seek independent expert taxation advice in respect of their own taxation position.

The Directors of the Company consider that the proposed capital reduction will not materially affect the Company's taxation position.

Impact on Creditors

The Directors of the Company consider that the proposed capital reduction will not materially prejudice the Company's ability to pay its creditors.

Fairness and Reasonableness of the Proposal

The Directors of the Company also consider that the proposed capital reduction is fair and reasonable to shareholders as a whole. The terms of the proposed reduction of capital involve a reduction in the Company's issued share capital from \$65,585,192 to \$6,434,226. As the reduction applies equally to all ordinary shares in the Company it is fair and reasonable to all shareholders.

Optionholders

Optionholders are not financially affected by this proposal. In a proportional sense their economic interest in the Company will be exactly the same as it was prior to any approval of the reduction. The number of options and exercise price of the options on issue will remain the same.

SCHEDULE 1

TERMS OF OPTIONS IN FARMWORKS AUSTRALIA LIMITED



Exercise Price

Each Option will entitle the holder, on exercise, to subscribe for one unissued share in the Company for \$0.10.

Exercising the Options

The options will be exercisable at any time from the date of grant of the options for 3 years (Exercise Period) by giving written notice to the Company which must be received by the Company by 5:00pm on the last day of the relevant Exercise Period (Exercise Time).

Any number of options may be exercised by the Exercise Time.

Expiry of Options

Options expire at 5.00pm AEST on the last day of the Exercise Period.

Issue of Shares

All shares allotted and issued on exercise of the options will rank equally with the Company's existing fully paid ordinary shares (including as to dividends, entitlement to which is determined after allotment). Shares will be allotted and issued within 15 days after the Company receives a notice of exercise of option from the holder.

Non-Quotation of Options

No application will be made for the options to be quoted on ASX.

Effect of Company Re-Organisations or New Issues on Options

If there is any re-organisation in the Company's ordinary share capital before the Exercise Time (such as a subdivision or consolidation of capital, return of capital or cancellation of shares), the number of unexercised options held by any person at the time of the re-organisation and the number of shares to be received on exercise of the options, is intended to be adjusted proportionately with the re-organisation, in accordance with ASX Listing Rule 7.22. Following a re-organisation, however, the holder exercising an option must not receive any benefit that holders of ordinary shares do not receive.

If the Company issues shares or other securities before the Exercise Time, the number of unexercised options held by any person at the time of the issue and the number of shares to be received on exercise of the options will not be adjusted.

There will be no change to the exercise price of the options or the number of shares to which an option will entitle a Company's shareholder if the Company makes a pro rata issue of shares or other securities to its shareholders.

Changes to Entitlements and Adjustments

The rights of the holder will be changed to the extent necessary to comply with the applicable laws and the listing rule of ASX (to the extent applicable), including those applying to a reorganisation of capital of the Company at the time of any reorganisation.

On exercise of an option, in the case of fractions (if any), the number of shares issued is rounded down to the next lower whole number and the exercise price is rounded up to the next highest cent. The Company must give notice to the holder of any adjustment to the number, description or items of securities which are to be issued on exercise of an option, or to the exercise price.

Right to Participate in New Issues of Shares

The holder does not have the right to participate in new issues of securities without exercising the option.

PROXY FORM



The Company Secretary
FarmWorks Australia Limited

By delivery:
Level 18, 50 Cavill Avenue,
Surfers Paradise Qld 4217

By post:
PO Box 40
Surfers Paradise Qld 4217

By facsimile:
(07) 5526 8922

I/We _____
of _____
being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint _____

Step 1 – Appoint a Proxy to Vote on Your Behalf

**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 (excluding the registered shareholder) you are appointing as your proxy

or failing such appointment the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Meeting of the Company to be held at the Yuan Room, Level 2, Christie Conference Centre, 3 Spring Street, Sydney, New South Wales on 29 February 2012 at 2.30pm and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is * []% of the Shareholder's votes or * [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

Important for Resolution 1 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you have not directed him how to vote on Resolution 1 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote on Resolution 1 in Step 2 below, the Chairman will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote on Resolution 1 by either marking the relevant 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 will vote in favour of Resolution 1 and currently intends to vote in favour of Resolution 1).

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 1

I/We (except where I/we have indicated a different voting intention below):

- direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 to vote in favour of this Resolution;
- authorise, in respect of Resolution 1 the Chairman of the Meeting to vote as described even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company; and
- acknowledge that the Chairman of the Meeting may exercise my/our proxy in respect of Resolution 1 as he sees fit even if the Chairman has an interest in the outcome of Resolution 1 and that votes cast by him, other than as proxy holder, would be disregarded because of that interest.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an .



Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Kevin Dart as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Authority to Grant Options to Aliceson Rourke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Authority to Issue Shares to Kirkwoods Corporate Relations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Authority to Issue Shares to Mr Mathew Denton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Reduction of Share Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

<p>Individual or Shareholder 1</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Sole Director and Sole Company Secretary</p>	<p>Shareholder 2</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Director</p>	<p>Shareholder 3</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Director/Company Secretary</p>
Contact Name	Contact Daytime Telephone	Date

¹Insert name and address of Shareholder ²Insert name and address of proxy *Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. *Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

- Joint Holding: where the holding is in more than one name all of the holders must sign.
- Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
- Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate 'Certificate of Appointment of Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the office of the Company (07) 5526 8922 if faxed from within Australia or +61 7 5526 8922 if faxed from outside Australia not less than 48 hours prior to the time of commencement of the Meeting (EST).