

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be held at the Maxwell Chambers, 32 Maxwell Road #03-01, Singapore 069115 [See Explanatory Note (a)] on the 19th day of April 2016 at 3:00 PM Singapore time (10:00 AM Israel time) to transact the following business:-

- Ordinary Business**
- To receive and consider the audited accounts for the year ended 31 December 2015 and the reports of the directors and auditors thereon.
 - To declare a final dividend of US cent 1.5 (gross) per share less tax (as applicable) for the year ended 31 December 2015.
 - To re-appoint Somekh Chaikin Certified Public Accountants (Isr.), Member firm of KPMG International and Chaikin, Cohen, Rubin and Co., Certified Public Accountants (Isr.) as external auditors and to authorise the Board of Directors to fix their remuneration.
 - To approve the Remuneration Policy [see Explanatory Notes (b) and (c) and Appendix A]
 - To approve the CEO's remuneration [see Explanatory Note (c) and Appendix B]
 - To approve Directors' remuneration [see Explanatory Note (c) and Appendix B]
- Special Business**
- To consider and, if thought fit, to pass the following shareholders' resolutions with or without amendments [see Explanatory Note (d):-
- 7.1 Authority to issue shares**
- That authority be given to the directors of the Company to issue and allot shares in the Company whether by way of rights, bonus or otherwise (including but not limited to the issue and allotment of shares at any time, whether during the continuance of such authority or thereafter, pursuant to offers, agreements or options made or granted by the Company while this authority remains in force) by the directors, or otherwise disposal of shares (including making and granting offers, agreements and options which would or might require shares to be issued, allotted or otherwise disposed of, whether during the continuance of such authority or thereafter) by the directors of the Company at any time to such persons (whether or not such persons are shareholders), upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit PROVIDED THAT:
- the aggregate number of shares to be issued pursuant to such authority shall not exceed 50% of the issued shares in the capital of the Company (as calculated in accordance with paragraph (ii) below), of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must not be more than 20% of the total issued shares in the capital of the Company;
 - (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under paragraph (i) above, the total number of issued shares shall be based on the number of issued shares in the capital of the Company at the time this resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities or new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares;
 - unless revoked or varied by the Company in a general meeting, such authority shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. [See Explanatory Note (e)]
- 7.2 Authority to offer and grant options and issue shares pursuant to the Sarine Technologies Ltd 2015 Share Option Plan and to issue shares upon the exercise of options, which were previously granted under the Sarin Technologies Ltd 2005 Share Option Plan**
- That the directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the Sarine Technologies Ltd 2015 Share Option Plan (the "2015 Plan") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the 2015 Plan and/or under the Sarin Technologies Ltd 2005 Share Option Plan (the "2005 Plan"), provided always that the aggregate number of such shares to be issued pursuant to the 2015 Plan and the 2005 Plan and any other share option schemes of the Company for the time being in force shall not exceed 15% of the issued shares in the capital of the Company (excluding treasury shares) from time to time. [See Explanatory Note (f)]
- To transact any other business, which may properly be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD
AMIR JACOB ZOLTY
Company Secretary
Israel,
4 April 2016
Proxies:-

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. An instrument appointing a proxy must be deposited at the office of the Company's main offices at 7 Atir Yeda St., Kfar Saba, Israel or at the Singapore Share Transfer Agent at 112 Robinson Road #05-01 The Corporate Office Singapore 068902 not less than 24 hours before the time fixed for the meeting.

Explanatory Notes:-

(a) Israeli shareholders who wish to take part in the Annual General Meeting from Israel may do so by attending at the Company's main offices in the Board room (level 3), 7 Atir Yeda St., Kfar Saba 4464307, Israel at 10:00 AM, Israel time on said day (19 April 2016). The persons attending the said audio/video conference will be able to pose questions to the Company and to comment on the Company's reports. It should be noted, however, that only persons who shall actually attend the Annual General Meeting in Singapore (whether in person or via proxy) may vote in the Annual General Meeting.

(b) Pursuant to the Israeli Companies Law, 5759-1999 (the "**Israeli Companies Law**") (for more details, please see the Company's announcement No. 144 of 3 January 2013, titled: "Recent Changes Introduced to the Israeli Companies Law"), each publicly-traded Israeli company is required to set a remuneration policy addressing issues such as actual remuneration, in cash and in kind, retirement terms, indemnification, insurance and exemption from liability (the "**Remuneration Policy**").

The Remuneration Policy should create clear guidelines for personalised, fixed and incentive-based, remuneration of officers, in line with the company's goals, plans, long-term policy and risk management policy. The Remuneration Policy should also set measurable corporate and personal targets, set a cap on variable remuneration and provide for return of variable remuneration, in case such was paid based on inaccurate data.

Such Remuneration Policy should be adopted by the Board of Directors of the company, at least every three years, based on the recommendations of the Remuneration Committee, and be further approved by the general meeting of the shareholders of the company. The Company's Remuneration Committee and the Company's Board of Directors discussed and approved the Remuneration Policy detailed in Appendix A on 28 February 2016, and summarised in Note (c).

(c) **Remuneration Packages**
General

- The actual proposed packages will take into account the executive's knowledge, skills, expertise, experience and past accomplishments in and prior to joining the Group.
- The actual proposed packages will take into account existing remuneration agreements and will not decrease from those.
- The fixed compensation (salary / pay) is not dependent on actual results.
- The variable compensation (bonuses) may be zero, but may not be negative.
- Equity based compensation is all at Market Price and is to be aimed at falling within guidelines set in the Remuneration Policy based on cost, estimated using a lattice-based valuation model applying management assumptions, at time of grant.
- All target based compensation will be based on audited financial results and may be corrected (and reimbursed, if necessary, by the beneficiary), if subsequent audits find cause for restatements of results.
- We believe the proposed policies will not create disparities which will impair labor relations, as will be eminent from the actual proposed packages, which will provide appropriate metrics.
- Severance compensation will be solely as prescribed by the relevant statutory requirements (no so-called "golden parachutes").
- Specific exemptions from ceilings of standard Israeli benefits may be approved as appropriate, e.g., additional health and disability insurance for individuals with special requirements.
- The Company shall maintain, at all times, Directors' and Officers' liability insurance for the directors and officers of the Company and of its direct and indirect subsidiaries, subject to the provisions of applicable laws and of each company's Articles of Association. The maximum amount covered by such insurance shall not exceed US\$30 million.
- The Company shall grant its directors and the directors of its (direct and indirect) subsidiaries letters of indemnification, in line with the Company's existing practice and subject to the provisions of applicable laws and of each company's Articles of Association.
- See Appendix B for details of the proposed packages for the Directors and CEO.

(d) A shareholders' resolution shall be deemed adopted if approved by the holders of a majority of the voting power represented at the meeting in person or by proxy and voting thereon. Notwithstanding the aforesaid, according to the Israeli Companies Law, the approval of resolution No. 4 (approval of the Company's Remuneration Policy), resolution No. 5 (approval of the CEO's remuneration) and resolution No. 6 (directors' remuneration) on the agenda of this Annual General Meeting requires a majority of the shareholders attending and voting (abstaining votes notwithstanding), provided that: (i) such majority shall consist of the majority of the participating and voting shareholders who are not the controlling shareholders of the company, or otherwise having a personal interest in such appointment; or (ii) the non-interested shareholders who voted against such appointment hold not more than 2% of the company's share capital. According to the Israeli Companies Law, a personal interest" is: "a personal interest of any person in an act or transaction of a company, including a personal interest of his relative or of a corporate body in which such person or a relative of such person has a personal interest, but excluding a personal interest stemming from the fact of a shareholding in the company, including a personal interest of the person voting according to a proxy given to him by another person, even if the appointer does not have a personal interest, and including a personal interest of the appointer, even if the appointee does not have a personal interest, all whether or not the appointee is granted any discretion with regard to the subject matter of the voting.

Please Note: according to the recent Israeli court ruling, a shareholder must positively inform the Company whether or not such shareholder has a personal interest in a proposal which is subject to approval by a majority vote of disinterested shareholders, as in the case of resolutions 4, 5 & 6. Your failure to check the box on the proxy form indicating that you have no personal interest will therefore require the Company to assume that you have a personal interest in resolutions 4, 5 & 6 and disqualify your vote on such proposals.

We may no longer assume that a shareholder who signs and returns a proxy form without a specific indication as to the lack of personal interest of such shareholder has no personal interest with respect to resolutions 4, 5 & 6. If you believe that you, or a related party of yours, is a controlling shareholder or possesses a personal interest and you wish to participate in the vote on resolutions 4, 5 & 6, you should not indicate in the appropriate box that there exists no personal interest on the enclosed proxy form. If you hold your shares through a bank, broker or other nominee and believe that you possess a personal interest in the approval of either resolution, you may also contact the representative managing your account, who could then contact us on your behalf.

(e) The shareholders' resolution set out in item 7.1 above, if passed, will empower the Directors from the date of the above meeting until the date of the next Annual General Meeting, to issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum set out in this resolution.

(f) The shareholders' resolution set out in item 7.2 above, if passed, will empower the Directors to offer and grant options under the 2015 Plan and to allot and issue shares in the capital of the Company pursuant to the exercise of the options granted under the 2005 Plan and the 2015 Plan.

Appendix A - Remuneration Policy 2016 – 2018.

General

- As the payments to the CEO and to other senior officers of the Company may be effected (in whole or in part) in New Israeli Shekels (NIS), the amounts specified herein were computed based on the applicable exchange rate as of the Last Practicable Date (LPD), being 28 February 2016 (being 3.90 NIS to US\$1), and may be subject to increase in case of fluctuations in the applicable exchange rate.

CEO - Policy

- Maximum monthly Salary – US\$25,000
- Benefits: Standard Israeli social benefits (provident and education funds, managers' insurance, etc.), Company car, Company cell-phone, trade and economic press subscriptions as appropriate, business class on trips five hours and over, D&O insurance and indemnification.
- Maximum annual bonus – up to 12 monthly salaries or equivalent, based on achieving annual Company goals.
- Long term (three year) options at Market Price (on day of grant) with estimated cost to company of US\$1 million over three years.
- Up to 40% of options to be granted: time based vesting (1/3 at the end of each year).
- Rest of options: target based vesting as per strategic long-term Company goals for three years, e.g., increase in share price, increase in profitability, increase in sales, establishing traction of polished diamond products and services or other new business launch.
- In case of termination not-for-cause, non-elective resignation or change in Group control, prior to the lapse of three years from the date of grant, a pro-rated portion of granted options to be automatically vested.

COO/CFO/Senior VP/Chairman/Executive Director - Policy

- Maximum monthly salary / pay (for COO, CFO and Senior VP – salary; for Chairman and Directors – pay) – US\$15,000
- Benefits: Standard Israeli social benefits (provident and education funds, managers' insurance, etc.), Company car, Company cell-phone, trade and economic press subscriptions as appropriate, business class on trips 10 hours and over (Chairman and Directors - on trips five hours and over), D&O insurance and indemnification.
- Maximum annual bonus – up to 12 monthly salaries or equivalent, based on achieving annual Company goals.
- Long term (three year) options at Market Price (on day of grant) with estimated cost to company of US\$600,000 over three years.
- Up to 40% of options to be granted: time based vesting (1/3 at the end of each year).
- Rest of options: target based vesting as per strategic long-term Company goals for three years weighted as per personal contribution expected (Directors' targets identical to those set for CEO), - e.g., increase in share price, increase in profitability, increase in sales, establishing traction of polished diamond products and services or other new business launch.
- In case of termination not-for-cause, non-elective resignation or change in Group control, prior to the lapse of three years from the date of grant, a pro-rated portion of granted options to be automatically vested.

VPs - Policy

- Maximum monthly Salary - US\$12,000
- Benefits: Standard Israeli social benefits (provident and education funds, managers' insurance, etc.), Company car, Company cell-phone, business class travel in extraordinary circumstances, D&O insurance and indemnification.
- Maximum annual bonus – up to four monthly salaries or equivalent, based on achieving annual Company goals.
- Long term (three year) options at Market Price (on day of grant) with estimated cost to company of US\$300,000 over three years.
- Up to 50% of options: time based vesting (1/3 at the end of each year).
- Rest of options: target based vesting as per strategic long-term Company goals for three years, weighted as per personal contribution expected, e.g., increase in share price, increase in profitability, increase in sales, establishing traction of polished diamond products and services or other new business launch.
- In case of termination not-for-cause, non-elective resignation or change in Group control, prior to the lapse of three years from the date of grant, a pro-rated portion of granted options to be automatically vested.

Non-Executive Directors - Policy

- Remuneration based on actual participation in Board and committee meetings, not to exceed US\$1,000 for participation in person, 60% of same, i.e., US\$600, for participation over the phone and 50% of same, i.e., US\$500, for a written resolution.
- Long term (three year) options at Market Price (on day of grant) with estimated cost to company of US\$150,000 (per each Non-Executive Director) over three years, granted once upon appointment to the Board.

Independent Directors - Policy

- Maximum pay of US\$33,000, provided that the annual fees of the Independent Directors, who are also External Directors (as such term is defined in the Israeli Companies Law – i.e. a director who possesses either financial and accounting skills or professional skills, is not related or otherwise has no present or near-past linkage to the company in question and/or to its controlling shareholders; External Directors are appointed for fixed terms of three years each, by a special majority and may not be removed from office, other than under extraordinary circumstances), shall not exceed the maximum amount allowed under the Israeli Companies Law and under the applicable Israeli regulations (currently NIS 115,400) Additional remuneration based on actual participation in Board and committee meetings, not to exceed US\$1,000 for participation in person, 60% of same, i.e., US\$600, for participation over the phone and 50% of same, i.e., US\$500, for a written resolution.
- Long term (three year) options at Market Price (on day of grant) with estimated cost to company of US\$150,000 (per Independent Director) over three years, granted once upon appointment to the Board, subject to the provisions of the Israeli Companies Law [according to the Israeli Companies Law and the applicable regulations, Independent Directors, who are also External Directors, are appointed for a three-year term and their remuneration, as well as the grant of options to such External Directors, should be defined upon their appointment and remain in effect throughout such three-year period, and may be subject to certain other restrictions].

Appendix B - Remuneration packages for Directors and CEO

- All costs are given in annualised terms.
 - Illustrative options costs are estimated as per share price (S\$1.37) and currency conversion rates (US\$1 = NIS 3.90 and US\$1 = S\$1.40) as per the Last Practicable Date (LPD) being 28 February 2016, and are based on IFRS guidelines using a lattice-based valuation model applying management assumptions (e.g., share volatility).
 - Specific projected target of accumulative three-year adjusted EBITDA and aggressive targets of sales non-polished diamond products and services (Galaxy™-family inclusion mapping, planning and other related equipment) and sales of polished diamond products and services are not disclosed due to the sensitivity of the information.
- Daniel Benjamin Glinert – Executive Chairman of the Board
 - Monthly compensation US\$11,500 in 2016 and US\$12,100 in 2017 onwards + out-of-pocket expenses according to current practice (~ US\$600 a month in 2015). Estimated cost to Sarine = US\$145,000 in 2016 and US\$152,500 in 2017,
 - Annual bonus of one month compensation per increase in sales relative to previous year on rolling year basis (increments of US\$3 million in 2016, US\$2 million in 2017 and US\$1 million in 2018). Annual bonus capped at 8 months compensation annually. (Cap = US\$92,000 in 2016 and US\$96,800 in 2017 onwards).
 - Annual bonus of US\$1,000 per every S\$0.01 added to share price (at end of year), capped at US\$100,000 annually.
 - Options – up to 1,000,000 options (as specified in the Company's circular dated 4 April 2016) – subject to the approval of the Company's Extraordinary General Meeting, scheduled for 19 April 2016.
 - Estimated average annual expense = US\$490,000.
 - Comparatives:
 - To Israeli benchmark – On par
 - To Sarine median pay – N/A
 - To Sarine average pay – N/A
 - Uzi Levami – Executive Director and CEO
 - Monthly salary NIS 60,460 in 2016 and NIS 63,760 in 2017 onwards (~US\$15,500 and US\$16,350, respectively as of LPD currency conversion rates) plus benefits as per policy. Estimated cost to Sarine = US\$287,000 in 2016 and US\$299,200 in 2017 onwards.
 - Annual bonus of one monthly salary per increase in sales relative to previous year on rolling year basis (increments of US\$3 million in 2016, US\$2 million in 2017 and US\$1 million in 2018). Bonus capped at 8 monthly salaries annually. Estimated cap = US\$125,000 in 2016 and \$131,000 in 2017 onwards, at LPD exchange rate.
 - Options – up to 1,800,000 options (as specified in the Company's circular dated 4 April 2016) – subject to the approval of the Company's Extraordinary General Meeting, scheduled for 19 April 2016.
 - Estimated average annual expense = US\$725,000
 - Comparatives on salary and benefits:
 - To Israeli benchmark (TZViran Public Company Remuneration Survey) – 62%
 - To Sarine median pay – 3.6
 - To Sarine average pay – 3.3
 - Eyal Mashiah – Executive Director
 - Monthly compensation US\$8,500 in 2016 and US\$9,000 in 2017 onwards. Annual cost to Sarine = US\$102,000 in 2016 and US\$ 108,000 in 2017 onwards.
 - Annual bonus of one month compensation per increase in sales relative to previous year on rolling year basis (increments of US\$ 3 million in 2016, US\$2 million in 2017 and US\$1 million in 2018). Bonus capped at 8 months compensation annually. Estimated cap = US\$68,000 in 2016 and \$72,000 in 2017 onwards.
 - Options – up to 850,000 options (as specified in the Company's circular dated 4 April 2016) – subject to the approval of the Company's Extraordinary General Meeting, scheduled for 19 April 2016.
 - Estimated total annual cost = US\$320,000
 - Comparatives:
 - To Israeli benchmark – N/A (no benchmark for directors per se exists)
 - To Sarine median pay – N/A
 - To Sarine average pay – N/A
 - Avraham Eshed, Ehad Harel and Hanoh Stark – Non-Executive Directors
 - Payment for for participation in person US\$800, 60% of same, i.e., US\$480, for participation over the phone and 50% of same, i.e., US\$400, for a written resolution.
 - Chan Kam Loon, Yehezkel Pinhas Blum and Valerie Ong Choo Lin – Independent Directors
 - Not applicable as their remuneration was set upon their appointment to the Board in 2014 [according to the Israeli Companies Law and the applicable regulations, Independent Directors, who are also External Directors, are appointed for a three-year term and their remuneration, as well as the grant of options to such External Directors, should be defined upon their appointment and remain in effect throughout such three-year period].