

The logo for Impelus, featuring the word "impelus" in a lowercase, sans-serif font. The letter "i" is lowercase, while "mpelus" is lowercase. The logo is positioned to the left of a large, light grey right-pointing triangle that serves as a background element for the text.

impelus

Impelus Limited ABN 24 089 805 416

A black and white photograph of a multi-generational family sitting together on a beach. An elderly man and woman are on the left, a young girl is in the middle, and a man and woman are on the right. They are all smiling and looking at a smartphone held by the man in the middle. The photo is overlaid with a large, semi-transparent right-pointing triangle that matches the design of the logo above.

Notice of Annual General Meeting 2018

Notice is hereby given that the Annual General Meeting of Impelus Limited (the "Company") will be held at:

Impelus Limited

Level 23 100 William Street Sydney NSW 2011

On Friday 30 November 2018 at 10.00am (Sydney time).

Agenda

Item 1 – Statements and Reports

To receive and consider the Annual Financial Report, together with the reports and statements of the Directors and of the Auditor for the financial period ended 30 June 2018.

Note: There is no requirement for Shareholders to approve these reports.

Item 2 – Ordinary Business

Resolution 1: Adoption of Remuneration Report

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

“To adopt the Remuneration Report set out in the Directors’ Report for the year ended 30 June 2018.”

Notes:

- This resolution is advisory only and does not bind the Directors or the Company.
- The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.
- If 25% or more of the votes cast are voted against the adoption of the Remuneration Report, Shareholders will be required to vote on the resolution below (a “Spill Resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must go up for re-election.

Please note that the vote on Resolution 1 is put to Shareholders to allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report which is included in the Directors’ Report forming part of the Annual Report. For those Shareholders who did not receive the Annual Report, it is available on the Company’s website.

Resolution 2: Conditional Spill Resolution

This resolution is contingent on the outcome of Resolution 1. This item will be considered at the AGM only if at least 25% of the votes cast on Resolution 1 are cast against the resolution (i.e. are against the adoption of the Remuneration Report). Further explanation of the circumstances in which this resolution is considered is included in the Explanatory Statement. If less than 25% of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report, the Chair will withdraw this Resolution 2.

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

“That, for the purpose of Section 250V (1) of the Corporations Act and for all other purposes, approval is given for:

- a. ***the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (Spill Meeting);***
- b. ***all of the Directors who:***
 - i. ***were Directors of the Company when the resolution to make the Directors’ Report was passed; and***
 - ii. ***are not a Managing Director of the Company, cease to hold office immediately before the end of the Spill Meeting; and***
- c. ***resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting, on the terms and conditions in the Explanatory Statement.”***

Voting Exclusion Statement for Resolutions 1 and 2

In accordance with Section 250R (4) of the Act, no member of the Key Management Personnel of the Company or a closely related party of such a member may vote on Resolution 1 and, if required, Resolution 2.

However, in accordance with the Act, a person described above may vote on Resolutions 1 and 2 if:

- It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with the appointment which expressly authorises the chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Agenda

continued



Chairman Appointed as Proxy

If the Chairman is appointed as a proxy for a person who is permitted to vote on Resolutions 1 and 2, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in **favour** of Resolution 1 and **against** 2.

Resolution 3: Election of Mr. Ian Elliot as a Non-Executive Director

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

“That, for the purposes of Rule 40 of the Company’s Constitution and for all other purposes, Ian Elliot, being a Director appointed to fill a casual vacancy, retires as a Director of the Company and, being eligible, is elected as a Director of the Company.”

Notes:

- The non-candidate Directors unanimously support the election of Mr. Elliot.

Resolution 4: Election of Mr. Geoff Nesbitt as a Non-Executive Director

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

“That, for the purposes of Rule 40 of the Company’s Constitution and for all other purposes, Geoff Nesbitt, being a Director appointed to fill a casual vacancy, retires as a Director of the Company and, being eligible, is elected as a Director of the Company.”

Notes:

- The non-candidate Directors unanimously support the election of Mr. Nesbitt.

Item 3 – Special Business

Resolution 5: Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of additional Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Notes:

- The Directors unanimously support the approval of the 10% Placement Facility.

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution by or on behalf of a person or entity who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Ordinary Securities in the entity), if the resolution is passed, or any associate of such person or entity.

However, the Company will not disregard a vote if:

- 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
- It is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman of the Meeting intends to vote undirected proxies in favour of the approval of the 10% Placement Facility.

Resolution 6: Approval of Issue of Shares Under Proposed Convertible Note Agreement

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, the Shareholders approve the allotment and issue of up to 227,272,727 Shares, on the conversion of the Convertible Notes proposed to be issued pursuant to the Proposed Convertible Note Agreements and as set out in the Explanatory Memorandum.”

Notes:

- The Directors unanimously support the approval of the issue of Shares under the Proposed Convertible Note Agreement.

Agenda

continued

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution by or on behalf of any person or entity that is expected to participate in the issue of the Proposed Convertible Notes and a person or entity who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Ordinary Securities in the entity), if the resolution is passed, or an associate of such person or entity.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

The Chairman of the Meeting intends to vote undirected proxies in favour of the approval of the issue of Shares under the Proposed Convertible Note Agreements.

Resolution 7: Ratification of Share Placement

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior allotment and issue of 98,000,000 Shares by Impelus Limited to various parties as announced to the ASX on 6 June 2018 and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Notes:

- The Directors unanimously support the approval of the ratification of the Share Placement.

Voting Exclusion Statement

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of any person or entity that participated in the placement, or an associate of such person or entity excluded from voting.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

The Chairman of the Meeting intends to vote undirected proxies in favour of the ratification of the Share Placement.

Resolution 8: Approve Issue of Options to Mr. Ian Elliot

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

“That, for the purposes of ASX Listing Rule 10.11, Part 2E and section 200E of the Corporations Act 2001, and for all other purposes, approval is given for the Directors to issue and allot 3,000,000 Options and to the subsequent issue of 3,000,000 Shares to Mr. Ian Elliot, or his nominee, and for approval in specified circumstances for the pro-rata vesting of the Options in the event of cessation of employment, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

In accordance with section 224 of the Act and ASX Listing Rule 14.11, Ian Elliot, or any associate of Ian Elliot, is prohibited from voting on Resolution 8 and the Company will disregard any votes cast in favour of the resolution by or on behalf of Ian Elliot, or any associate of Ian Elliot.

However, the Company will not disregard a vote if:

- 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
- 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.

Agenda

continued



Chairman Appointed as Proxy

If the Chairman is appointed as a proxy for a person who is permitted to vote on this resolution, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 8.

Resolution 9: To Approve the Impelus Limited Employee Share/Option Plan

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

“That, for the purposes of Listing Rule 7.2, exception 9(b) and for all other purposes, the Directors are authorised to implement and maintain the Impelus Limited Employee Share/Option Plan (Plan), pursuant to the terms which are summarised in a document annexed hereto and marked “B”, and to issue Shares and Options under the Plan from time to time upon the terms and conditions specified in the Plan as an exception to Listing Rule 7.1 for a period of 3 years after the date of this meeting.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of a Director of the Company or an associate of a Director of the Company, except in respect to a Director who is ineligible to participate in any employee incentive scheme of the Company.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- 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.

Voting Prohibition

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 9 if the person is either a member of the Key Management Personnel for the Company or a Closely Related Party of such a member and the appointment does not specify the way the proxy is to vote on the resolution.

However, the Company will not disregard a vote if the person is the Chair of the Meeting at which the resolution is voted on and the appointment expressly authorises the Chair to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

The Chairman of the Meeting intends to vote undirected proxies in favour of the approval of the Plan.

Resolution 10: Participation in Placement – Related Party

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

“That, for the purposes of section 195 (4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,000,000 Shares to Mr. Neil Wiles (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

In accordance with section 224 of the Act and ASX Listing Rule 14.11, Neil Wiles, or an associate of Neil Wiles, is prohibited from voting on Resolution 10 and the Company will disregard any votes cast in favour of the resolution by or on behalf of Neil Wiles, or an associate of Neil Wiles.

However, the Company will not disregard a vote if:

- 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
- 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.

Chairman Appointed as Proxy

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 10, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 10.

Agenda

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Resolution 11: Participation in Placement – Related Party

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

“That, for the purposes of section 195 (4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,000,000 Shares to Mr. Ian Elliot (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

In accordance with section 224 of the Act and ASX Listing Rule 14.11, Ian Elliot, or an associate of Ian Elliot, is prohibited from voting on Resolution 11 and the Company will disregard any votes cast in favour of the Resolution by or on behalf of Ian Elliot, or an associate of Ian Elliot.

However, the Company will not disregard a vote if:

- 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
- 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.

Chairman Appointed as Proxy

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 11, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 11.

NOTES:

Determination of Entitlement to Attend and Vote

For the purposes of the Meeting, Shares will be taken to be held by the persons who are registered as Shareholders as at 7.00pm (Sydney time) on Thursday 29 November 2018.

Proxies

If you are a Shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a Shareholder of the Company. If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form.

The Company's constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a Shareholder or is also a proxy for another Shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

To record a valid vote members will need complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at: the Share Registry of the Company, Link Market Services Limited, located at Level 12, 680 George Street, SYDNEY NSW 2000, Australia or by facsimile on +61 2 9287 0309 no later than 10.00 am (Sydney time) on Wednesday 28 November 2018.

You can also vote online at www.linkmarketservices.com.au by entering your SRN/HIN and postcode, which are shown on the first page of the enclosed Proxy Form.

If you choose to appoint a proxy, you are encouraged to direct your proxy vote how to vote by marking either “For”, “Against” or “Abstain” for each item of business.

Shareholders may arrange to receive Shareholder information electronically, or obtain a replacement or second proxy form, by contacting Link Market Services on 1300 554 474 within Australia or +61 1300 554 474 outside Australia or go to www.linkmarketservices.com.au.

Agenda

continued



How the Chairman of the Meeting will Vote Undirected Proxies

Please note that if the Chairman of the Meeting is your proxy (or becomes your proxy by default), you expressly authorise the Chair to exercise your proxy on Resolutions 1 and 2 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chairman. If you appoint the Chairman as your proxy, you can direct the Chairman to vote "For" or "Against" or "Abstain" from voting on Resolution 1 by marking the appropriate box on the proxy form.

The Chairman of the Meeting intends to vote undirected proxies in **favour** of each resolution except Resolution 2 in which the Chairman will vote undirected proxies **against** this resolution.

Admission to Meeting

Shareholders who will attend the Impelus Limited Annual General Meeting (AGM) and who will not appoint a proxy are asked to bring the proxy form (if they have one) to the Meeting to help speed admission. Shareholders who do not plan to attend the Meeting are encouraged to complete and return a proxy form for their holdings of Impelus Limited Shares.

Joint Holders

In the case of Shares held by joint holders, one of the joint holders may vote and if more than one joint holder is present and voting at the Meeting, only the vote of the joint holder whose name appears first in the register may be counted.

Quorum

The Company constitution provides that two members present in person constitutes a quorum.

Questions and Comments by Shareholders at the Meeting

In accordance with the *Corporations Act 2001*, a reasonable opportunity will be given to Shareholders at the Meeting to ask questions about, or make comments on, the management of the Company. Similarly, a reasonable opportunity will also be given to Shareholders at the Meeting – as a whole – to ask MNSA, Impelus' auditor, or their representative, questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

Written questions for MNSA relevant to the conduct of the audit and the preparation and content of the auditor's report must be received no later than 5.00pm (Sydney time) on Friday 23 November 2018 at Link Market Services (at the address or fax number for lodgement of proxy) or be sent to the Company Secretary of Impelus at Level 23, 100 William Street, Sydney, NSW, 2011 or by email to jclyne@clynecorporate.com.au. A list of written questions to the auditor will be available at the Meeting.



Explanatory Memorandum

Item 1: To Receive and Consider the Reports for the Year Ended 30 June 2018

As required by section 317 of the *Corporations Act 2001* (Cth) (“Corporations Act”) the Financial Report, Directors’ Report, and Auditors’ Report of Impelus Limited (the “Company”) for the financial year ended 30 June 2018 will be laid before the Meeting. There is no requirement for a formal resolution on this item, and accordingly, this item is excluded from the proxy form. Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports. Please note that an online version of the Company’s 2018 Annual Report can be downloaded or viewed at: www.impeluscop.com.

Item 2: Ordinary Business

Resolution 1 – Adoption of Remuneration Report

As required by section 300A of the Corporations Act, the Directors’ Report includes a section entitled “Remuneration Report”. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting. The Corporations Act requires listed companies to put the Remuneration Report for each financial year to a resolution of members at their Annual General Meeting.

Under the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies. Under the Corporations Act, if 25% or more of the votes cast are voted against the adoption of the Remuneration Report at two consecutive AGM’s, Shareholders will be required to vote at the second of those AGM’s on a resolution (a “Spill Resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must go up for re-election. Impelus encourages all Shareholders to cast their vote on Item 2 (Remuneration Report).

At the Company’s 2017 AGM the votes cast against the Remuneration Report considered at that AGM were more than 25% (First Strike). Accordingly, if at least 25% of the votes cast on the Remuneration Report Resolution are voted against the adoption of the Remuneration Report, the Spill Resolution (being Resolution 2) will be voted on at this AGM. Refer to Resolution 2 for further information

In summary, the Remuneration Report:

- explains the Board’s policies in relation to the nature and level of remuneration paid to Directors and Key Management Personnel of the Company;
- discusses the link between the Board’s policies and the Company’s performance; and
- sets out remuneration details for each Director and for each member of Impelus’ senior executive management team.

Directors’ Recommendation

Noting that each Director of the Company has a personal interest in their own remuneration the subject of this resolution, the Board does not consider it appropriate to make a recommendation to Shareholders in relation to voting on this resolution.

Resolution 2 – Conditional Spill Resolution

The effect of this Conditional Spill Resolution being passed is that, subject to section 250W(4) of the Corporations Act, the Company will be required to hold another meeting of Shareholders within 90 days of the date of this AGM (Spill Meeting) and the Directors who were in office when the First Strike was received, other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the vacating Directors.

Subject to Shareholders passing all of the resolutions at that Spill Meeting, none of the Directors described in section 250V(1) (b) of the Corporations Act (being Directors of the Company when the First Strike was received) will remain as Directors of the Company. Shareholders should also be aware that pursuant to section 250W(4) of the Corporations Act, if Resolution 2 is passed at the AGM and none of the Directors described in section 250V(1)(b) of the Corporations Act (being Directors of the Company when the First Strike was received) remain as Directors of the Company, the Directors have no intention to and will not be holding a Spill Meeting.

Resolution 2 is an ordinary resolution.

Explanatory Memorandum

continued



Directors' Recommendation

Noting that each Director of the Company has a personal interest in their own remuneration which is indirectly the subject of this resolution, the Board does not consider it appropriate to make a recommendation to Shareholders in relation to voting on this resolution.

Resolution 3 – Re-Election of Mr. Ian Elliot as a Non-Executive Director

Rule 40 of the Company constitution requires that a Director appointed to fill a casual vacancy since the last AGM, must retire from office and is eligible for re-election.

Being eligible, Mr. Ian Elliot offers himself for re-election to the Board at the Meeting. Ian Elliot has over 40 years' experience in the advertising, marketing, branding and diversified communication sector. He was both Chairman and CEO of George Patterson Bates, Australia's leading advertising agency for all of the thirty years of his career, rising from the mail room to CEO. Ian oversaw the expansion through M&A activity of the ad agency into a diversified services group and in his final four years as CEO he added more than \$250 million worth of new account wins. He also chaired Zenith Media from 2002-2006, during which Zenith Media was Australia's largest media buying company. Ian is recognised as the architect behind the successful Optus 'Yes' campaign and many other high-profile consumer advertising and major events campaigns.

From 2003 to 2007, Ian was both Chairman and Executive Chairman of ASX-listed printing group Promentum Limited. During this time Promentum saw a substantial increase in revenue and earnings and was successfully sold to private equity at approximately 5 times the 2003 Share Price.

For the past 14 years, Ian has acted as a professional Non-Executive Director for a number of ASX-listed companies including Salmat Limited (2005-2016), Hills Industries (2003-2016) and McMillan Shakespeare Limited (current). He was also an Australian Rugby League Commissioner (2012-2016), Director of the National Australia Day Council (2003-2012) and is the current Chairman of the Dry July Foundation.

Directors' Recommendation

The Board (other than Mr. Elliot) unanimously recommends that Shareholders vote in favour of Mr. Elliot's re-election.

Resolution 4 – Re-Election of Mr. Geoff Nesbitt as a Non-Executive Director

Rule 40 of the Company constitution requires that a Director appointed to fill a casual vacancy since the last AGM, must retire from office and is eligible for re-election.

Being eligible, Mr. Geoff Nesbitt offers himself for re-election to the Board at the Meeting. A highly experienced marketing and ad tech CFO/Director & senior executive with more than 20 years' experience in managing organisations through both strong growth and challenging economic periods.

Geoff has considerable experience with growth companies to help achieve their corporate objectives by applying experience in the areas of strategy and corporate aptitude.

Extensively networked and experienced in managing IPO's, M&A, debt advisory, performance improvement, business planning, financial management, investor relation and treasury.

Directors' Recommendation

The Board (other than Mr. Nesbitt) unanimously recommends that Shareholders vote in favour of Mr. Nesbitt's re-election.

Explanatory Memorandum

continued

Item 3: Special Business

Resolution 5 – Approval of 10% Placement Facility

1.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) up to 10% of its issued Share capital through placements over a 12-month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 1.2(3) below). The Company may use the funds raised from the issue of Equity Securities under the 10% Placement Facility for such things including but not limited to cash and non-cash consideration for the acquisition of new or existing businesses, assets and investments, growth opportunities, payment of consultants in lieu of fees, working capital and also for other means to generally expand the Company's business.

1.2 Description of Listing Rule 7.1A

1. Shareholder Approval
The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.
2. Equity Securities
Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has on issue two classes of Equity Securities, Shares and Unlisted Options.
3. Formula for Calculating 10% Placement Facility
Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of Fully Paid Ordinary Securities on issue 12 months before the issue date or date of agreement to issue:

(A) plus the number of Fully Paid Ordinary Securities issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of Partly Paid Ordinary Securities that became fully paid in the 12 months;

(C) plus the number of Fully Paid Ordinary Securities issued in the 12 months with approval of holders of Ordinary Securities under Listing Rule 7.1 or 7.4. This does not include an issue of Fully Paid Shares under the entity's 15% placement capacity without Shareholder approval;

(D) less the number of Fully Paid Ordinary Securities cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rule 7.1 or 7.4.

Explanatory Memorandum

continued



4. Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has on issue 554,852,882 Shares and has a capacity to issue 12,820,720 Equity Securities under Listing Rule 7.1 however if Resolution 7 is passed that capacity will increase to 83,227,932 Equity Securities; and

Subject to Shareholder approval being obtained under Resolution 5, a further 55,485,288 Equity Securities under Listing Rule 7.1A. However, the actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 1.2(3) above).

5. Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- i. the date on which the price at which the Equity Securities are to be issued is agreed; or
- ii. if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

6. 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- i. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- ii. the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

1.3 Listing Rule 7.1A

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1. Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

1.4 Specific Information Required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

1. The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in that class, calculated over the 15 Trading Days immediately before:
 - i. the date on which the price at which the Equity Securities are to be issued is agreed; or
 - ii. if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
2. If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - i. the market price for the Company's Equity Securities may be significantly lower on the issue date than on the date of the approval at the Annual General Meeting; and
 - ii. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities. The below table shows the dilution of existing Shareholders on the basis of the closing price of the Company's Shares of \$0.017 each on 25 September 2018 and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

Explanatory Memorandum

continued

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0085 50% decrease in issue price	\$0.017 Issue price	\$0.034 100% increase in issue price
554,852,882	10% voting dilution	55,485,288	55,485,288	55,485,288
Current Variable A	Funds raised	\$471,625	\$943,250	\$1,886,500
832,279,323	10% voting dilution	83,227,932	83,227,932	83,227,932
50% increase in current Variable A	Fund raised	\$707,437	\$1,414,874	\$2,829,749
1,109,705,764	10% voting dilution	110,970,576	110,970,576	110,970,576
100% increase in current Variable A	Funds raised	\$943,250	\$1,886,500	\$3,773,000

The table also shows:

- i. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' Meeting; and
 - ii. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.
3. The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
 4. The Company may seek to issue the Equity Securities for the following purposes including but not limited to:
 - i. non-cash consideration for the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments, growth opportunities, payment of consultants in lieu of fees, repayment of debt, working capital and also for other means to generally expand the Company's business. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - ii. cash consideration. In such circumstances, the Company intends to use the funds raised the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments, growth opportunities, payment of consultants in lieu of fees, repayment of debt, working capital and also for other means to generally expand the Company's business and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- i. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and solvency of the Company; and
- iv. advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of these assets or investments.

Explanatory Memorandum

continued



5. The Company obtained Shareholder approval under Listing Rule 7.1A at its 2012, 2013, 2014, 2015, 2016 and 2017 AGM's and provides the following information pursuant to Listing Rule 7.3A.6 (a) and (b):

The total number of Equity Securities issued in the 12 months preceding the date of meeting is 100,000,000 comprising 98,000,000 Shares and 2,000,000 Options which represents a dilution of 22.62% to the number of Shares on issue 12 months ago.

Shares Issued 13 June 2018:

Date of Issue:	13 June 2018
Number Issued:	98,000,000
Class:	Fully Paid Ordinary Shares
Recipient:	The Shares were issued to a range of persons and entities introduced by Sanlam Private Wealth, as announced to the ASX on 6 June 2018, all of whom was a sophisticated and professional investor and none of whom is a Related Party of the Company
Price/Discount:	\$0.02 per Share being a discount of 18.5% to the 5 trading day VWAP
Consideration and Use of Funds:	To accelerate the roll-out of the Solvers Premium Digital Performance Marketing operations, grow the cash balance and for general working capital

Options Issued 13 June 2018:

Date of Issue:	13 June 2018
Number Issued:	2,000,000
Class:	Unlisted Options to acquire Shares exercisable at \$0.037 each and expiring 13 June 2020
Recipient:	Chaley Holdings Pty Ltd <Rubben Family A/C>
Price/Discount:	Nil consideration. As at 22 October 2018, the Options have a value of \$0.002 each based on a Black and Scholes calculation (assuming a 3.25% annual risk-free interest rate and 60% volatility)
Consideration and Use of Funds:	No funds were raised from the issue of the Options but in the event the Options are exercised the funds raised will be used to grow the cash balance and for general working capital

6. A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of the 10% Placement Facility.

Explanatory Memorandum

continued

Resolution 6 – Approval of Issue of Shares Under the Proposed Convertible Note Agreements

Background

The Directors have been considering the need to raise further equity capital for the purposes of retiring some bank debt and continuing to fund the Company's operations. To that end they have appointed Wentworth Global Capital Finance Pty Ltd (**Wentworth**) as corporate advisers to provide advice on appropriate means of raising capital and to manage any such capital raising that the Directors approve.

The Directors are looking to raise up to \$2,500,000 (**Raise Amount**) from sophisticated and professional investors for the purposes of repayment of bank debt and working capital.

Ideally the Directors wish to raise the Raise Amount prior to the date of the AGM. However, it does not have the placement capacity to issue Shares for that amount under Listing Rule 7.1 (discussed further below). Consequently, the only way the Company can raise the Raise Amount prior to the AGM is by way of debt, either as a straight loan or, more likely, loan notes. In the case of the issue of loan notes, Wentworth has advised that the notes must be capable of being convertible into Shares.

In the circumstances, the Directors have decided to issue convertible notes under one or more convertible note agreements (**Proposed Convertible Note Agreements**) which expressly provide that the *notes may only be converted if Shareholders approve this Resolution 6*.

The key terms of the Proposed Convertible Note Agreements are as follows:

1. The Convertible Notes may only be issued to sophisticated or professional investors (as the case may be) for the purposes of section 708(8) or 708(11) of the Corporations Act;
2. Each investor will acquire a single Convertible Note with a face value equal to the amount invested (**Face Value**);
3. Interest of 8% will accrue on the Face Value of each Convertible Note but such interest will only be payable in the event that Resolution 6 is not approved. In that case, interest will accrue on the Face Value from the date the Note is issued until the date of repayment (see point 6 below);
4. No Convertible Note may be converted unless Resolution 6 is approved by the Company's Shareholders at the AGM;
5. If Resolution 6 is approved by the Company's Shareholders at the AGM, each Convertible Note will, within 5 Business Days of the date of the AGM, convert into 83.33 Fully Paid Ordinary Share for each Dollar owing by the Company under the Convertible Note (which shall be equal to the Face Value);
6. If Resolution 6 is not approved by the Company's Shareholders at the AGM, the amount owing under each Convertible Note (which shall be equal to the Face Value plus accrued interest) must be repaid by 30 April 2019.

ASX Listing Rule 7.1 provides that a company must not issue Equity Securities without approval of Shareholders if the number of Equity Securities to be issued in any 12-month period exceeds 15% of the issued capital of the Company at the commencement of the 12-month period preceding the issue. In issuing the Convertible Notes, the Company did not breach ASX Listing Rule 7.1 as the Convertible Notes are not considered Equity Securities until such time as Shareholder approval is obtained. As the Convertible Notes have been issued and may not be converted into Shares without Shareholder approval, Resolution 6 seeks approval under ASX Listing Rule 7.1 in respect of the Convertible Notes to be converted into Shares.

Information for the purpose of ASX Listing Rule 7.3

The following information is provided for the purpose of ASX Listing Rule 7.3:

- (a) Maximum number of securities to be issued:

227,272,727 Shares

- (b) Date by which securities will be issued:

The Shares to be issued under the Convertible Notes will be issued on a single date within 5 Business Days of the Company obtaining all necessary approvals to conversion, and in any event (assuming all necessary approvals are obtained) by no later than 3 months following the Annual General Meeting.

- (c) Issue price of securities:

The issue price of each Share under the Convertible Note Agreement is \$0.011.

- (d) Allottees:

Sophisticated and professional investors identified by the Company, none of whom are Related Parties of the Company.

Explanatory Memorandum

continued



(e) Terms of securities:

The Shares will be fully paid and will rank pari passu in all respects with the Company's other Shares on issue.

(f) Intended use of funds raised:

The funds will be used for repayment of bank debt and working capital.

(g) Voting exclusion statement:

Refer to the Notice of Meeting for details of the voting exclusion statement for the resolution.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of the issue of the Shares under the Convertible Note Agreement.

Resolution 7 – Ratification of Share Placement

Background

On 13 June 2018, the Company issued a total of 98,000,000 Shares by way of a placement to various parties (refer ASX announcement of 6 June 2018). The recipients of the Shares, the subject of this resolution, are not related parties of the Company.

The prior approval of Shareholders was not required in respect of the Placement as it did not exceed the 15% Restriction imposed upon listed companies by Listing Rule 7.1 or the 10% Restriction imposed upon listed companies by Listing Rule 7.1A.

The table below shows the Company's placement capacity at the time of the Share issue and the number of Shares issued pursuant to each listing rule.

Listing Rule	Available Capacity	Capacity Used	Capacity Remaining
7.1	66,439,182	55,707,212	10,731,970
7.1A	44,292,788	44,292,788	0

Listing Rule 7.4 provides that if the Placement is ratified by Shareholders, the Company will again have the flexibility to issue further securities without Shareholder approval within the 15% Restriction over the next 12-month period.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

Information for Shareholders in accordance with Listing Rule 7.4.

The following information is provided in relation to Resolution 7 in accordance with Listing Rule 7.5:

- Number of securities allotted: 98,000,000 Shares.
- Issue price: \$0.02 per Share.
- Term of the securities: On the same conditions as Shares already on issue in the Company.
- Allottees: The Shares were issued to a range of persons and entities introduced by Sanlam Private Wealth, as announced to the ASX on 6 June 2018, all of whom was a sophisticated and professional investor and none of whom is a Related Party of the Company.
- Use of funds:
 - to accelerate the roll-out of the recently launched Solvers Premium Digital Assets;
 - to scale up the UK Digital Performance Marketing operations;
 - grow the existing cash balance; and
 - for general working capital.

Directors' Recommendation

The Board unanimously recommends that the Shareholders vote in favour of the ratification of the Share Placement.

Explanatory Memorandum

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Resolution 8 – Approve Issue of Options To Mr. Ian Elliot

Background

Resolution 8 seeks approval from Shareholders for the issue of 3,000,000 Unlisted Options for Shares and the subsequent issue of the Shares on payment of the exercise price to the Company's Non-Executive Chairman, Mr. Ian Elliot, as announced to the ASX on 21 November 2017.

The purpose of the Option grant is to both remunerate and incentivise Mr. Elliot. The remuneration aspect comes through having an appropriately struck Option exercise price so as to incentivise for the Company's future growth through providing both a 5-year time line in which the Director must work to provide a base from which to build growth. The Board has attempted to provide a strike price for the Options which is at a significant premium to the Company's current Share Price.

There are no taxation consequences for the Company resulting from the grant of the Options, including no fringe benefits tax.

A full copy of the terms of the Options is contained within Annexure "B".

Approval of Shareholders is sought for the purposes of Listing Rule 10.11 for the Company to grant the Options to Mr. Elliot. Once the Options are exercised for Shares, the Shares will rank equally with Shares currently on issue.

Chapter 2E

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or Shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing Shares and granting Options. A "related party" includes a Director, an entity over which a Director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Persons are Related Parties of the Company.

The Directors, other than Mr. Elliot (given his material personal interest in the resolution), consider that Shareholder approval pursuant to Chapter 2E of the Act is not required in respect of the issue of the Options under Resolution 8 because the financial benefit is, in accordance with section 211(1) of the Act:

- remuneration to a Related Party as an officer of a public company; and
- reasonable given:
 - the circumstances of the public company or entity giving the remuneration; and
 - the Related Party's circumstances (including the responsibilities involved in the office).

ASX Listing Rule 10.11

Listing Rule 10.11 provides that the Company must not issue "Equity Securities" to a related party unless one of a number of exceptions applies, or Shareholder approval is obtained. Accordingly, the effect of Resolution 8 is to permit the Company to issue the Options to Mr. Elliot as described above in compliance with Listing Rule 10.11.

Information for Shareholders in accordance with Listing Rule 10.13.

The following information is provided in relation to Resolution 8 in accordance with Listing Rule 10.13:

- Name of the persons: The Options will be issued to Mr. Ian Elliot or his nominee.
- Maximum number of securities to be issued: 3,000,000 Options will be issued with:
 - 1,000,000 vesting 29 November 2018 exercisable at 8.25 cents and expiring 29 November 2021;
 - 1,000,000 vesting 29 November 2019 exercisable at 8.25 cents and expiring 29 November 2022; &
 - 1,000,000 vesting 29 November 2020 exercisable at 8.25 cents and expiring 29 November 2023.

Explanatory Memorandum

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- Date by which the Company will issue the securities: The Options will be granted and issued as soon as possible after the date of the Meeting and in any event no later than 1 month after the date of the Meeting.
- Issue price of the securities and the terms of issue: The Options will be issued for nil consideration in accordance with the Option Terms of Issue set out in Annexure “B”.
- Use of funds: No funds will be raised from the issue of Options as the Options are being issued for nil consideration.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Options under Resolution 8 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Options to Mr. Elliot will not be included in the use of the Company’s 15% restriction under Listing Rule 7.1.

Directors’ Recommendation

The Directors (other than Mr. Elliot) unanimously recommends that the Shareholders vote in favour of Resolution 8.

Resolution 9 – To approve the Impelus Limited Employee Share/Option Plan

Background

Shareholder approval is sought to approve the Impelus Limited Employee Share/Option Plan (**Plan**) for Directors and senior employees of the Company. A summary of the Plan is annexed hereto.

The purpose of the Plan is to provide eligible employees of the Company, as determined by the Board of Directors or a Plan Committee established by the Board of Directors, with an opportunity to share in the growth in value of the Company’s Shares (to the extent this occurs) and to encourage them to improve the performance of the Company and its return to Shareholders. The Directors intend the Plan to enable the Company to retain and attract skilled and experienced employees and provide them with the motivation to make the Company more successful.

Although the Company is not required to obtain Shareholder approval for the introduction of the Plan, if Shareholders approve the Plan, any Shares and Options issued under the Plan within 3 years of approval of the Plan, will be able to rely on exception 9 to Listing Rule 7.2. If Shareholders do not approve Resolution 9, the Company may still issue Shares under the Plan, but any such Shares will count towards the 15% limit on the issue of Equity Securities in any 12-month period imposed by Listing Rule 7.1.

Listing Rule 7.1 broadly provides, subject to certain exceptions, that a company may not issue or agree to issue securities representing more than 15% of the total issued Equity Securities of the Company at the beginning of any 12-month period without Shareholder approval. If Shareholders approve Resolution 9, then the Shares issued under the Plan would not be included in the 15% limit imposed by Listing Rule 7.1 for a period of 3 years from the date of the Meeting.

The Board of Directors is strongly committed to adopting standards of corporate governance that are consistent with the ASX Corporate Governance Principles and Recommendations and believes it is in the interests of Shareholders to be informed of the Company’s long-term incentive arrangements with its employees.

As the Plan has not yet been introduced by the Board, no Shares or Options have been issued thereunder. It is the Board’s intention to immediately revoke the Company’s existing Employee Share Plan titled “MBE Performance Rights and Option Plan Rules” introduced on 30 November 2012 and reapproved by Shareholders at the Company’s 2012 AGM.

Explanatory Memorandum

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Resolutions 10 and 11 – Participation in Placement – Related Parties

Background

The Company announced on 6 June 2018 a placement to raise \$2.0 million (Placement). On 13 June 2018 the Company issued to professional and sophisticated investors a total of 98,000,000 Shares. Subject to Shareholders approving the issues pursuant to Resolutions 10 and 11, the Company will issue the balance of the placement of 2,000,000 Shares (Related Party Shares) to Directors.

The number of Shares that each Director has committed to subscribe for, subject to Shareholder approval, is set out below:

Directors	Number of Shares	Total Subscription Amount
Mr. Neil Wiles	1,000,000	\$20,000
Mr. Ian Elliot	1,000,000	\$20,000
Total	2,000,000	\$40,000

Resolutions 10 and 11 seek Shareholder approval to issue a total of 2,000,000 Related Party Shares at \$0.02 each to the Directors as detailed in the table above (Participation).

Resolutions 10 and 11 are ordinary resolutions.

The Chair intends to vote all available proxies in favour of Resolutions 10 and 11.

Chapter 2E of the Corporations Act and Listing Rule 10.11

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- obtain the approval of the Company's members in the manner set out in section 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in an issue of Shares which constitutes giving a financial benefit and Directors are related parties by virtue of being Directors.

The Directors (other than a Director with a material personal interest in the matter being considered) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of this participation because the Related Party Shares will be issued to the participating Directors on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms. The terms of the Participation are at the same issue price as the 98,000,000 Shares issued to professional and sophisticated investors on 13 June 2018.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

As the Participation involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the Participation as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Directors (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

Explanatory Memorandum

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Section 195 – Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company must not vote or be present during meetings of Directors when matters in which that Director holds a 'material personal interest' are being considered.

The Director, Mr. Neil Wiles, has a material personal interest in the outcome of Resolution 10 and the Director, Mr. Ian Elliot, has a material personal interest in the outcome of Resolution 11 and the Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue of the Related Party Shares to Shareholders to resolve upon noting the requirements of ASX Listing Rule 10.11.

Technical Information Required by Listing Rule 10.13 for Resolution 10

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the Participation:

- a. the Shares will be issued to Mr. Neil Wiles (or his nominees);
- b. the maximum number of Shares to be issued is 1,000,000;
- c. the Shares will be issued no later than 1 month after the date of the Meeting;
- d. the issue price of the Shares will be \$0.02 per Share, being the same as all other Shares issued under the Placement;
- e. the Shares issued will be Fully Paid Ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- f. the funds raised are being used for:
 - to accelerate the roll-out of Digital Customer Acquisition / Lead Generation Assets;
 - to scale up the UK Digital Performance Marketing operations; and
 - for general working capital

Technical Information Required by Listing Rule 10.13 for Resolution 11

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the Participation:

- a. the Shares will be issued to Mr. Ian Elliot (or his nominees);
- b. the maximum number of Shares to be issued is 1,000,000;
- c. the Shares will be issued no later than 1 month after the date of the Meeting;
- d. the issue price of the Shares will be \$0.02 per Share, being the same as all other Shares issued under the Placement;
- e. the Shares issued will be Fully Paid Ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- f. the funds raised are being used for:
 - to accelerate the roll-out of Digital Customer Acquisition / Lead Generation Assets;
 - to scale up the UK Digital Performance Marketing operations; and
 - for general working capital

If you have any queries, please contact the Company Secretary on + 61 2 9360 3385.

By order of the Board.

Justin Clyne

Company Secretary
23 October 2018



Glossary

In this Explanatory Memorandum and Notice of Annual General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

10% Placement Facility has the meaning given in section 1.1 of Resolution 4;

10% Placement Period has the meaning given in section 1.2 (6) of Resolution 4;

ASIC means the Australian Securities and Investments Commission;

ASX means ASX Limited ACN 008 624 691;

Board means the Board of Directors of the Company;

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

a spouse or child of the member;

a child of the member's spouse;

a dependent of the member or of the member's spouse;

anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;

a company the member controls; or

a person prescribed as such by the *Corporations Regulations 2001* (Cth);

Company means Impelus Limited ABN 24 089 805 416;

Constitution means the existing constitution of the Company;

Corporations Act means *Corporations Act 2001* (Cth);

Director means a Director of the Company;

Equity Securities has the same meaning as in the Listing Rules;

Key Management Personnel has the same meaning as in the accounting standards as defined in section 9 of the Corporations Act (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise, of the Company);

Listing Rules means the listing rules of ASX;

Meeting means the Meeting of Shareholders convened by the Notice;

Notice means the Notice of Meeting to which this Explanatory Memorandum is attached;

Option or **Unlisted Option** mean an Option to acquire a Fully Paid Ordinary Share in the Company;

Plan means the Impelus Limited Employee Share/Option Plan, the subject of Resolution 9;

Share means a Fully Paid Ordinary Share in the capital of the Company;

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

VWAP means volume weighted average price.


Annexure "A"

Unlisted Options Terms – Resolution 8



Each Unlisted Options has the following terms and conditions:

- a. Each Unlisted Option entitles the Unlisted Optionholder to acquire one (1) Ordinary Fully Paid Share in the Company (Share);
- b. The Unlisted Options are exercisable at any time on or prior to 5.00 pm (AEST or AEDST as applicable at the time on or before 29 November, 2021, 29 November, 2022 and 29 November, 2023 (time being of the essence) (Unlisted Option Exercise Period) by completing an Option Exercise Form and delivering it together with the payment for the number of Shares in respect of which the Unlisted Options are exercised to the registered office of the Company or to the Share Registry of the Company;
- c. Each Unlisted Option exercise price is 8.25 cents and is subject to the re-organisation of the Company's capital as per clauses (h) and (i) below (Option Exercise Price);
- d. Unlisted Options are freely transferable in whole or part at any time prior to the Unlisted Option Exercise Period;
- e. Shares issued on the exercise of the Unlisted Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys;
- f. Shares allotted pursuant to the exercise of an Unlisted Option will rank equally with the then issued Ordinary Shares of the Company in all respects and, if the Company remains listed on the ASX, the Company undertakes to seek quotation on the ASX of the Shares;
- g. Unlisted Optionholders shall be entitled to participate in all new issues of securities in the Company upon the prior exercise of Unlisted Options only in which case the Unlisted Optionholders shall be afforded the period of at least fourteen (14) business days prior to and inclusive of the record date (to determine entitlements to the new issue) to exercise their Unlisted Options;
- h. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Unlisted Optionholder will be changed/varied to the extent necessary to comply with the Corporations Act and/or the ASX Listing Rules (if applicable) applying to the reconstruction of capital at the time of the reconstruction;
- i. Unlisted Optionholders shall be entitled to participate in all take-over offer(s) for the Company prior to the exercise of Unlisted Options in which case the Unlisted Optionholders shall be afforded the period of at least fourteen (14) business days prior to and inclusive of the record date (to determine entitlements to the take-over offer) to exercise their Unlisted Options;
- j. If there is a bonus issue to Shareholders of the Company, the number of Shares over which the Unlisted Option is exercisable will be increased by the number of Shares which the holder of the Unlisted Option would have received if the Unlisted Option had been exercised before the record date for the bonus issue;
- k. The Company will issue written reminder notices to the Unlisted Optionholder at least five (5) business days prior to the expiry of the Unlisted Option Exercise Period;
- l. Unlisted Options not exercised before the expiry of the Unlisted Option Exercise Period will lapse;
- m. The Unlisted Options will be recorded on the Company's register of Optionholders maintained at the Company's Share Registry. The register will be open for inspection by an Unlisted Optionholder free of charge. Shares to be allotted on exercise of Unlisted Options will be recorded on the Company's Share Register;
- n. The Company will not make an application for Official Quotation of the Unlisted Options on ASX;
- o. The Unlisted Optionholder, if appearing on the Company's register of Optionholders at the relevant date, will be entitled to receive and will be sent all reports and accounts required to be laid before Shareholders of the Company in general meeting and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings; and
- p. The Unlisted Optionholder has:
 - a. No right to any dividend prior to converting into Ordinary Shares;
 - b. No right to vote until converted into Ordinary Shares;
 - c. No right to participate in the surplus profits or assets of the Company upon a winding up; and
 - d. The right to attend any general meeting of the Company but, not to vote or to move or second any resolution or speak in any meeting except in a resolution which directly affects any of the rights, privileges or conditions attaching to the Unlisted Options or the exercise and enjoyment of such rights, privileges or conditions, in the event of which each Unlisted Option shall confer on its holder one vote on a show of hands and one vote on a poll.



Annexure “B”

Summary of Impelus Limited Employee Share/Option Plan – Resolution 9

Subject to Shareholder approval, the Company wishes to adopt an employee incentive plan known as the Impelus Limited Employee Share/Option Plan (**ESOP**), pursuant to which the Board has discretion to offer Shares and/or ESOP Securities to subscribe for Shares (ESOP Securities) to senior management as a form of long-term equity incentive.

The purpose of the ESOP is to provide Eligible Employees with an opportunity to acquire ESOP Securities. By doing so, the Plan seeks to provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the longer-term performance of the Company and its returns to Shareholders. The Plan is also intended to assist the Company to attract and retain skilled and experienced senior employees and provide them with an incentive to have a greater involvement with and focus on the longer-term goals of the Company.

A summary of the ESOP is set out below:

- (1) The ESOP is open to certain senior management and Directors of the Company (and, if relevant, any subsidiary of the Company), as determined by the Board.
- (2) The Board may invite eligible persons to participate in the ESOP. Participation is voluntary. The Board may determine the number of Shares and/or ESOP Securities to be issued under the ESOP and other terms of issue of the ESOP.
- (3) Each ESOP Security enables the holder to be issued one Share upon exercise, subject to the rules governing the ESOP (**Plan Rules**) and (if applicable) the ASX Listing Rules.
- (4) The Company does not intend to make any loans in relation to the acquisition of Shares and ESOP Securities under the ESOP.
- (5) ESOP Security holders are not permitted to participate in new issues of securities by the Company but adjustments may be made to the number of Shares over which the ESOP Securities are granted or the exercise price to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the rules governing the ESOP and (if applicable) the ASX Listing Rules.
- (6) The ESOP limits the number of Shares and ESOP Securities that the Company may issue, such that the sum of all Shares and ESOP Securities on issue and offered under all employee incentive schemes of the Company does not, if they are all exercised, equate to more than 5% of the Shares on issue by the Company.

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