



smiles[®]
inclusive

Notice of 2019 Annual General Meeting

Smiles Inclusive Limited ACN 621 105 824

Date	Thursday, 28 November 2019
Time	11.00am (Brisbane time)
Venue	Skyline Room, 551 Wickham Terrace, Spring Hill, Queensland 4000

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of Smiles Inclusive Limited (**Company**) will be held at Skyline Room, 551 Wickham Terrace, Spring Hill, Queensland 4000 at 11.00am (Brisbane time) on Thursday, 28 November 2019 (**AGM or Meeting**).

This notice of AGM (**Notice**) is an important document and should be read in its entirety. The explanatory memorandum attached to this Notice (**Explanatory Memorandum**) provides additional information on matters to be considered at the Meeting. The accompanying important notices, Explanatory Memorandum, glossary and the proxy form are part of this Notice.

ITEMS OF BUSINESS

Ordinary Business

ITEM 1: Financial statements and reports

To receive and consider the Company's financial report, the Directors' report and the auditor's report for the financial year ended 30 June 2019.

ITEM 2: Remuneration report

Resolution 1 – Adoption of remuneration report

To consider the remuneration report as it appears in the annual report for the Company (**Remuneration Report**) for the financial year ended 30 June 2019 and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2019 be adopted."

Note:

- (a) The Remuneration Report is contained in the 2019 Annual Financial Report (available at <http://smilesinc.com.au/investor-centre/>).
- (b) In accordance with section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the vote on this ordinary resolution is advisory only and does not bind the Directors or the Company.
- (c) Voting restrictions apply to this resolution. See page 6 for further details.

ITEM 3: Election of Director

Resolution 2 – Election of Dr Peter Fuller as Director

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

"That, Dr Peter Fuller, who was appointed by the board to fill a casual vacancy in accordance with rule 19.2(b) of the Company's constitution, and having consented to act and being eligible, be elected as a Director of the Company."

Note: Information about the candidate appears in the Explanatory Memorandum.

Resolution 3 – Ratification of issue of Shares to sophisticated and professional investors

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 21 June 2019 of a total of 8,689,935 fully paid ordinary shares in Smiles Inclusive Limited (**Shares**) at an issue price of \$0.14 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified.”*

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour on Resolution 3 by or on behalf of:

- any person who participated in the above issue; or
- an associate of those persons.

However, the Company need not disregard a vote cast on Resolution 3 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.

Resolution 4 – Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A

To consider, and, if thought fit, pass the following resolution as a special resolution:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the Shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of Smiles Inclusive Limited (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- any person who may participate in the 10% placement facility, 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 Company; or
- an associate of those persons.

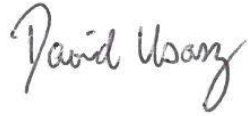
As at the date of this Notice of Meeting, the Company has no specific plans to issue securities under the 10% placement facility under ASX Listing Rule 7.1A and therefore it is not known who (if any) may participate in a potential issue of securities under the placement facility (if any) under ASX Listing Rule 7.1A. On that basis, the Company is not aware of any person who would be excluded from voting on this resolution.

However, the Company need not disregard a vote cast on Resolution 4 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.

By order of the Board

A handwritten signature in black ink that reads "David Usasz". The signature is written in a cursive style with a large initial 'D'.

David Usasz, Chairman
28 October 2019

IMPORTANT NOTICES

VOTING ENTITLEMENT

- 1 The Board has determined under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that for the purpose of voting at the Meeting or an adjourned meeting, shares are taken to be held by those persons recorded in the Company's register of Shareholders as at 7:00pm (Sydney time) on Tuesday, 26 November 2019.
- 2 If more than one joint holder of shares is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

PROXIES

- 3 A Shareholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy. A proxy form is enclosed with this Notice.
- 4 A proxy need not be a Shareholder and can be either an individual or a body corporate. If a body corporate is appointed as a proxy, it must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting.
- 5 A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes (disregarding fractions).
- 6 Unless the proxy is required by law to vote, the proxy may decide whether or not to vote on any particular item of business. If the appointment of proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. All directed proxies that are not voted on a poll at the Meeting will automatically default to the Chairman, who is required to vote the proxies as directed. Any undirected proxies on a given resolution may be voted by the appointed proxy as they choose, subject to the voting restrictions described on the following page.
- 7 The Chairman intends to vote all available proxies in favour of each item of business.

Lodgement of proxy forms

- 8 If you wish to appoint a proxy and are entitled to do so, then complete and return the enclosed proxy form.
- 9 To be effective, completed proxy forms (together with any additional documentation such as a power of attorney or appointment of a body corporate representative) must be received by the Company through its share registry by 11.00am (Brisbane time) on Tuesday, 26 November 2019, by one of the following methods:
 - a **online:** Shareholders may lodge proxies online by visiting www.linkmarketservices.com.au, selecting 'Voting' and following the prompts. To use this facility you will need your "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the proxy form);
 - b **by mail:** Smiles Inclusive Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia;
 - c **by fax:** to +61 2 9287 0309; or
 - d **in person:** Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138, or Level 12, 680 George Street, Sydney NSW 2000 (during business hours).

CORPORATE REPRESENTATIVES

- 10 A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been given previously to the Company.

ATTORNEYS

- 11 A Shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the commencement of the Meeting.

VOTING RESTRICTIONS

- 12 In accordance with the Corporations Act, the Company will disregard any votes cast on:
- a Resolution 1 by or on behalf of a member of the Company's Key Management Personnel named in the Company's Remuneration Report for the financial year ended 30 June 2019 or their closely related parties, regardless of the capacity in which the vote is cast; or
 - b Resolutions 1 as a proxy by a person who is a member of the Company's Key Management Personnel at the date of the Meeting or their closely related parties.

Note: Key Management Personnel and 'closely related parties' are defined in the Glossary.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 1:

- a in accordance with a direction in the proxy form; or
 - b by the Chairman of the Meeting, in accordance with an express authorisation to exercise the proxy even though the Resolution is connected with the remuneration of Key Management Personnel.
- 13 If you appoint the Chairman as your proxy (or the Chairman becomes your proxy by default), and you do not direct your proxy how to vote on Resolution 1 on the proxy form, you will be expressly authorising the Chairman to exercise your proxy on these items even though the resolution is connected, directly or indirectly, with remuneration of the Key Management Personnel.
- 14 The Chairman intends to vote all available proxies in favour of Resolution 1.

SHAREHOLDER ENQUIRIES

- 15 If you have any questions on how to cast your votes, please call the Company's share registry, Link Market Services, on +61 1300 554 474 during business hours.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Meeting. Information relevant to the business to be conducted at the Meeting is provided in this Explanatory Memorandum and the document should be read in full.

ITEMS OF BUSINESS

Ordinary Business

ITEM 1: Financial statements and reports

In accordance with the Corporations Act, the financial report, the Directors' report and auditor's report for the Company for the financial year ended 30 June 2019 will be put before the Meeting.

Shareholders will have a reasonable opportunity at the Meeting to ask questions or make comments on these reports.

In addition to asking questions at the Meeting, Shareholders may address written questions to the Chairman about the management of the Company or to the Company's auditor, KPMG, if the question is relevant to:

- the content of the auditor's report; or
- the conduct of its audit of the annual financial report to be considered at the AGM.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Meeting is held.

Written questions for the auditor must be delivered on or before 5.00pm on 21 November 2019. Please send any written questions for KPMG to:

The Company Secretary
Smiles Inclusive Limited
GPO Box 799
Brisbane QLD 4001,
or via email to: emma.corcoran@smilesinc.com.au.

There is no requirement for a formal resolution on this item.

ITEM 2: Remuneration report

Resolution 1 – Adoption of remuneration report

The Corporations Act requires that at a listed Company's annual general meeting, a resolution that the Remuneration Report be adopted be put to the shareholders. However, this resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is contained within the Annual Report, which is available on the Company website: <http://smilesinc.com.au/investor-centre/>.

The Remuneration Report:

- sets out the Company's remuneration arrangements for Directors and other Key Management Personnel of the Company; and
- explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.

Shareholders will have a reasonable opportunity at the meeting to ask questions about or make comments on the Remuneration Report.

As the Resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, makes no recommendation regarding this Resolution.

ITEM 3: Election of Director

Listing Rule 14.4 and rule 19.2(b) of the Company's constitution provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

Since the Company's last Annual General Meeting, the Company has appointed one Director to the Board, who (being eligible) is standing for election at the AGM, being the next annual general meeting of the Company.

Resolution 2 – Election of Peter Fuller as Director

Dr Peter Fuller was appointed as a non-executive Director of the Company on 25 June 2019.

Dr Fuller is one of the Company's joint venture partners, with over 30 years' experience in the dental industry and demonstrated experience in building and running dental practices.

Dr Fuller graduated with a Bachelor of Dental Technology with honours in 1991, before becoming a master dental technician specialising in orthodontics in 2001. In 2007, he graduated with a Bachelor of Dental Prosthetics degree with honours.

In 2009, Dr Fuller founded Q Dental Australia Pty Ltd, growing it to three dental practices along with a successful prosthetic and orthodontics laboratory, which also experienced significant growth.

In addition to managing and caring for patients, Dr Fuller has broad experience working for large government organisations such as Queensland Health, where he has spent time providing services to the specialist Oral Health Unit at the Lady Cilento Queensland Children's Hospital in Brisbane managing surgical splints for babies born with cleft lip and palate abnormalities.

Dr Fuller was also awarded a Diploma in Business Management with the Australian Institute of Management and has been made a Fellow of the Australian Dental Prosthetists Association.

The Directors (with Dr Fuller abstaining) recommend the election of Dr Fuller to the Board.

ITEM 4: Placement

Resolution 3 – Ratification of issue of Shares to sophisticated and professional investors

On 20 June 2019, the Company announced details of a Placement to domestic sophisticated and professional investors to subscribe for 8,689,935 new ordinary shares in the Company at a price of A\$0.14 cents per share, to raise approximately A\$1.2 million (**Placement**).

The Placement shares were issued under the Company's ASX Listing Rule 7.1 capacity.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of the ratification is to restore the Company's maximum discretionary power to issue further Shares up to 15% of the issued capital of the Company without requiring Shareholder approval.

Under Resolution 3, the Company is seeking shareholder ratification pursuant to Listing Rule 7.4 of the issue of 8,689,935 fully paid ordinary Shares on 21 June 2019 to sophisticated and professional investors under the Placement announced to the ASX on 20 June 2019 in order to restore the ability of the Company to issue further Shares within the 15% limit during the next 12 months.

Additional information required by ASX Listing Rule 7.5

The following information in relation to the Shares is provided to Shareholders for the purposes of Listing Rule 7.5:

- 8,689,935 Shares were issued;
- the Shares were issued at an issue price of \$0.14 each;
- the Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- the Shares were issued to sophisticated and professional investors who qualify under the requirements of sections 9 and 708 of the Corporations Act;
- net proceeds raised from the issue were used to assist with the implementation of the Company's turnaround plan; and
- a voting exclusion statement is set out under Resolution 3 in the Notice of Meeting.

The Directors unanimously recommend Shareholders vote in favour of this Resolution 3.

ITEM 5: Additional placement capacity

Resolution 4 – Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables mid to small cap listed companies to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12 month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of its annual general meeting:

- it has a market capitalisation of \$300 million or less; and
- it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of its annual general meeting.

Accordingly, Resolution 4 is seeking approval of ordinary Shareholders by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms as described in this Explanatory Memorandum.

At the date of this Notice, the Company has on issue 133,245,670 fully paid ordinary shares.

If Resolution 4 is passed, the exact number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the following formula prescribed in ASX Listing Rule 7.1A.2 (which at the date of this Notice is):

$(A \times D) - E$

Where:

- A** is the number of fully paid Shares on issue 12 months before the issue date or date of agreement to issue:
- (A) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid Shares under the entity's 15% capacity pursuant to Listing Rule 7.1 without Shareholder approval; and
 - (D) less the number of fully paid Shares cancelled in the 12 months.
- 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 issue date or date of agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

The effect of Resolution 4 will be to allow the Directors to issue a further 10% of equity securities under ASX Listing Rule 7.1A during the 12 month period following the 2019 AGM, in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:
 - a. the date on which the price at which the securities are to be issued is agreed; or
 - b. if the securities are not issued within five trading days of the date in paragraph a., the date on which the securities are issued.
- If Resolution 4 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing ordinary Shareholders face the risk of economic and voting dilution, including the risk that:
 - a. the market price of equity securities in that class may be significantly lower on the issue date than on the date on which this approval is being sought; and

- b. the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities and the nature of the dilution impact on shareholders.

- As required by Listing Rule 7.3A.2, the following table gives examples of the potential dilution of existing ordinary Shareholders on the basis of the current market price of shares as at close of trade on 21 October 2019 and the number of ordinary securities the Company is expected to have on issue at the date of the AGM for variable “A”, calculated in accordance with the formula in ASX Listing Rule 7.1A.2.

The table also shows:

- a. two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company is expected to have on issue at the date of the AGM. 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 ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting. It is important to note that the exact number of securities which may be issued under the 10% Placement Facility (if Resolution 4 is approved) will be calculated in accordance with the formula contained in Listing Rule 7.1A.2; and
- b. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price at 21 October 2019.

Number of shares on issue ¹	Dilution			
	Issue price (per share)	\$0.025 50% decrease in Issue Price	\$0.050 Issue Price	\$0.100 100% increase in Issue Price
133,245,670 (Current)	Shares issued	13,324,567	13,324,567	13,324,567
	Funds raised	\$333,114	\$666,228	\$1,332,457
199,868,505 (50% increase)	Shares issued	19,986,851	19,986,851	19,986,851
	Funds raised	\$499,671	\$999,343	\$1,998,685
266,491,340 (100% increase)	Shares issued	26,649,134	26,649,134	26,649,134
	Funds raised	\$666,228	\$1,332,457	\$2,664,913

- The table has been prepared on the following assumptions:

¹ Variable “A” in Listing Rule 7.1A.2. Current Variable A is assumed to be the number of ordinary securities expected to be on issue at the date of the AGM, being 133,245,670 shares.

- a. the Company issues the maximum number of equity securities available under the 10% Placement Facility in ASX Listing Rule 7.1A;
 - b. the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
 - c. the table does not show an example of dilution that may be caused to a particular shareholder by reason of issues under the 10% Placement Facility, based on that shareholder's holding at the date of the AGM;
 - d. the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
 - e. the issue of equity securities under the 10% Placement Facility consists only of shares; and
 - f. the issue price is \$0.05 per share², being the price of the shares on ASX on 21 October 2019.
- If Resolution 4 is approved, any equity securities to be issued under the 10% Placement Facility will be issued during the 12 month period after the date of the AGM (i.e. by 28 November 2020) however the approval being sought under Resolution 4 will expire and cease to be valid if (and issues will not be made under the 10% Placement Facility after) ordinary Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) prior to 28 November 2020.
 - While the Company does not have any immediate plans to issue equity securities under the 10% Placement Facility, the Company may seek to issue the equity securities for the following purposes:
 - a. cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued development of the Company's current assets and/or general working capital; or
 - b. non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.
 - The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities.
 - 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 allottees of equity securities that may be issued (subject to shareholder approval of Resolution 4) have not been determined as at the date of this Notice of Meeting but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - a. the methods of raising funds available to the Company (including but not limited to, rights issue or other issues in which existing security holders can participate), while balancing interest from potential allottees with the interests of existing Shareholders;

² Price on 21 October 2019 was \$0.050 per share.

- b. the effect of the issue of equity securities under the 10% Placement Facility on the control of the Company and balancing the interests of existing Shareholders. Allocation will be subject to takeover thresholds;
 - c. the financial situation and solvency of the Company and its need for working capital at any given time; and
 - d. advice from corporate, financial and broking advisors (if applicable).
- The Company has not previously obtained Shareholder approval under ASX Listing Rule 7.
 - A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting. Potential allottees under the 10% Placement Facility (should it be approved) have not been identified as at the date of this Notice of Meeting, but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company.

Resolution 4 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

GLOSSARY

In this Notice, capitalised words and phrases have the following meanings:

AGM or **Meeting** means the annual general meeting of the Company to be held on Thursday 28 November 2019 pursuant to the Notice.

Annual Report means the consolidated annual report for the Company and its controlled entities for the financial year ended 30 June 2019, available at <http://smilesinc.com.au/investor-centre/>.

ASX means ASX Limited ACN 008 624 691.

Board or **Directors** means the board of directors of the Company.

Chairman means the chairman of the Meeting.

closely related party is defined in the Corporations Act and, for the purposes of the voting restrictions, includes a Key Management Personnel's spouse, dependant and certain other close family members, as well as any companies controlled by the Key Management Personnel.

Company means Smiles Inclusive Limited ACN 621 105 824.

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

Employee Share Plan or **Plan** means the Employee Share Plan as described in this Notice.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means each of those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly, including any Director (whether executive or otherwise) of the Company.

KPMG means the division of the KPMG Australian Partnership responsible for audit services.

Listing Rules means the listing rules of ASX.

Notice means this notice of AGM.

Remuneration Report means the remuneration report as it appears in the Annual Report.

Resolutions means the resolutions set out in the Notice.

Share means a share in the capital of the Company, the terms of which are contained in the constitution of the Company.


Shareholder means a registered holder of Shares.

LODGE YOUR VOTE

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

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

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

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

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am on Thursday, 28 November 2019 at the Skyline Room, 551 Wickham Terrace, Spring Hill, Queensland 4000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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


VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

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

Resolutions

	For	Against	Abstain*
1 Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Dr Peter Fuller as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of issue of Shares to sophisticated and professional investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

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

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

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Tuesday, 26 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

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

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