

Thorney Technologies Ltd

ABN 66 096 782 188

ASX Announcement: 15 September 2017

ASX Code: TEK

NOTICE OF EXTRAORDINARY GENERAL MEETING

Thorney Technologies Ltd (TEK or Company) announced today that it had lodged a Short Form Prospectus with ASIC to raise up to \$15 million via a Placement to select sophisticated investors (subject to certain shareholder approvals).

An Extraordinary General Meeting of Shareholders of TEK will be held at the offices of Arnold Bloch Leibler, Level 21, 333 Collins Street, Melbourne VIC 3000 on Wednesday, 18 October at 11:00am (Melbourne time).

Each of the resolutions being put before Shareholders relate to the approvals sought in connection with the Placement.

Pursuant to ASX Listing Rule 3.17 we attach a copy of the documents which have been sent to shareholders today.

Please direct enquiries to:
Craig Smith
Company Secretary
craig.smith@thorney.com.au

Thorney Technologies Ltd

ABN 66 096 782 188

NOTICE OF EXTRAORDINARY GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting

18 October 2017

Time of Meeting

11:00am Melbourne time

Place of Meeting

Arnold Bloch Leibler
Level 21, 333 Collins Street
MELBOURNE VIC 3000

<p>This Notice of Extraordinary General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.</p>
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Thorney Technologies Ltd
ABN 66 096 782 188

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Shareholders of Thorney Technologies Ltd ("**Company**") will be held at Arnold Bloch Leibler, Level 21, 333 Collins Street, Melbourne VIC 3000 on Wednesday, 18 October 2017 at 11:00am (Melbourne time) ("**Meeting**") for the purpose of transacting the following business.

The Explanatory Statement, which accompanies and forms part of this Notice of Meeting, describes in more detail the matters to be considered at the Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement will, unless the context requires otherwise, have the same meaning given to them in the glossary contained in the Explanatory Statement.

AGENDA

Resolution 1 – Approval for the issue of the Shares under Placement Offer 1

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval and ratification be given for the issue by the Company of up to 27,659,574 Shares issued to certain institutional and sophisticated investors on or around 13 October 2017 under Placement Offer 1 at the issue price of \$0.235 per Share, and otherwise on the terms set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Resolution 2 – Approval of the issue of the Shares under Placement Offer 2

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be given to the issue of up to 63,829,787 Shares in the Company at an issue price of \$0.235 per Share to certain institutional and sophisticated investors under Placement Offer (reduced by that number of Shares issued under Placement Offer 1), and otherwise on the terms set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Resolution 3 – Approval for participation in Placement Offer 2 by Thorney Holdings

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 and for all other purposes, approval be given for the issue of up to 13,617,021 Shares in the Company at an issue price of \$0.235 per Share to Thorney Holdings Proprietary Limited (ACN 006 262 835) (and/or its nominee(s)), under Placement Offer 2, and otherwise on the terms set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting (but in no circumstances to take Thorney Holdings' relevant interest above 25.46%)."

Resolution 4 – Approval for participation in Placement Offer 2 by Mr Alan Fisher

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 and for all other purposes, approval be given for the issue of 49,000 Shares in the Company at an issue price of \$0.235 per Share to Mr Alan Fisher (and/or his nominee(s)), a Non-Executive, Independent Director of the Company, under Placement Offer 2, and otherwise on the terms set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

Resolution 5 – Approval for participation in Placement Offer 2 by Mr Jeremy Leibler

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 and for all other purposes, approval be given for the issue of 212,766 Shares in the Company at an issue price of \$0.235 per Share to Mr Jeremy Leibler (and/or his nominee(s)), a Non-Executive Director of the Company, under Placement Offer 2, and otherwise on the terms set out in the Explanatory Statement which accompanies and forms part of the Notice of Meeting."

BY ORDER OF THE BOARD

CRAIG SMITH
COMPANY SECRETARY
15 SEPTEMBER 2017

NOTES:

ENTITLEMENT TO VOTE

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the Company's share register at 7:00pm (Melbourne time) on Monday, 16 October 2017.

VOTING AND REQUIRED MAJORITY

Each Resolution must be passed by more than 50% of all votes cast by Shareholders entitled to vote on the Resolution (whether in person or by proxy, attorney or representative).

Subject to the voting exclusions, on a show of hands every Shareholder has one vote and, on a poll, every Shareholder has one vote for each Share held.

VOTING EXCLUSION STATEMENTS

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on:

- **Resolution 1** by each person who may participate in the proposed issue of the Shares under Placement Offer 1, or who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if Resolution 1 is passed;
 - **Resolution 2** by each person who may participate in the proposed issue of the Shares under Placement Offer 2, or who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if Resolution 2 is passed;
 - **Resolution 3** by Thorney Holdings or any person who is to receive securities the subject of Resolution 3; and
 - **Resolution 4** by Mr Alan Fisher or any person who is to receive securities the subject of Resolution 4.
 - **Resolution 5** by Mr Jeremy Leibler or any person who is to receive securities the subject of Resolution 5.
- including, in each case, their respective associates.

However, the Company need not disregard a vote if:

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

HOW TO VOTE

You may vote by attending the Meeting in person, by proxy or personal representative.

Proxies

A Proxy Form is attached to this Notice of Meeting. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form in accordance with the instructions on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Meeting and return it to the Company's share registry, Computershare Investor Services Pty Limited, so that it is received no later than 11:00am (Melbourne time) Monday, 16 October 2017, either:

- online at www.investorvote.com.au or by scanning the QR Code, found on the enclosed Proxy Form, with your mobile device.;
 - by facsimile on fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
 - by mail to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, Australia 3000
- For Intermediary Online subscribers only (custodians) www.intermediaryonline.com.

If the Proxy Form is signed by an attorney, please also enclose the authority under which the Proxy Form is signed (or a certified copy of the authority). Proxies given by corporate Shareholders must be executed in accordance with section 127 of the Corporations Act, their constitutions or by their attorney or duly authorised officer.

Please note that:

- a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a Shareholder; and
- a Shareholder 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Personal Representative

To vote by personal representative, please forward the authority under which the personal representative has been appointed (or a certified copy of the authority) to the address set out above for the return of Proxy Forms so that it is received no later than 11:00am (Melbourne time) Monday, 16 October 2017.

Corporate Representative

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting. The Company will retain the certificate of appointment of corporate representative.

Voting intentions and undirected proxies

Subject to any voting restrictions and exclusions, where the person chairing the Meeting is appointed as proxy, he intends to vote all undirected proxy votes in favour of all Resolutions.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist Shareholders to consider the Resolutions set out in the Notice of Meeting.

This Explanatory Statement forms part of, and should be read in conjunction with, the Notice of Meeting. The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions. The Directors also recommend that Shareholders read in full the Company's Short Form Prospectus dated on or around the date of this Notice of Meeting before making any decision in relation to the Resolutions.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Statement.

GENERAL BACKGROUND TO THE RESOLUTIONS

The Company, as at the date of this Notice of Meeting, intends to undertake a private placement of Shares at \$0.235 per share. The Company is intending to do this by way of two separate offers, referred to in this document as Placement Offer 1 and Placement Offer 2.

Under the ASX Listing Rules, the Company is generally able to issue up to 15% of its issued capital without requiring shareholder approval. However, the Company wishes to be able to issue Shares to Thorney Holdings as a potential participant in the Placement. However, given Thorney Holdings is controlled by Mr Alex Waislitz, a director of the Company, specific Shareholder approval is required under the ASX Listing Rules.

Placement Offer 1 and Placement Offer 2 will open on 18 September 2017. Placement Offer 1 is expected to close on 10 October 2017 with up to 27,659,574 Shares (being approximately 14.3% of the Company's issued capital) issued to unrelated sophisticated investors before the date on which the Extraordinary General Meeting is held

Subject to shareholder approval, the Company intends to close Placement Offer 2 following the date of the Extraordinary General Meeting on 18 October 2017. The Company is seeking shareholder approval, as more fully set out in this Explanatory Statement to authorise under Placement Offer 2 to issue up to 63,829,787 Shares, with this number reduced by the amount of Shares issued under Placement Offer 1. If Shareholder approval is not obtained in relation to a Resolution under Placement Offer 2 (Resolutions 2 -5) then the offer in relation to that Resolution will be withdrawn and any application monies received in relation to that specific Resolution will be refunded (without interest) as soon as is reasonably practicable.

The Company's intention is that the combined Shares issued under Placement Offer 1 and Placement Offer 2 is a maximum of 63,829,787 (and with the maximum amount raised under both placements being equivalent to maximum gross proceeds of approximately \$15 million based on an issue price of \$0.235 per share). Given as at the date of this Notice of Meeting, the Company does not know the amount of Shares that might be issued under Placement Offer 1, the Company is, in effect, seeking Shareholder approval to issue under Placement Offer 2 the maximum amount of Shares so that on a combined basis, the two placements will be authorised to issue a total of 63,829,787 Shares.

Upon receipt of the capital raised under the Placement Offers, the fees payable to the investment manager, Thorney Management Services Pty Ltd, will likely increase in accordance with the terms of the investment management agreement.

As at the date of this Notice of Meeting, the Company had deployed approximately 60% of the new capital that was raised in January 2017 into investments. Any funds raised under the Placement Offers will be added to the Company's existing cash reserves and be deployed in pursuit of investments and to meet general working capital requirements.

THE RESOLUTIONS

Resolution 1 – Subsequent approval for the issue of the Shares under Placement Offer 1

Background

The Company intends to undertake a private placement of up to 63,829,787 Shares to certain institutional and sophisticated investors and select related parties at an issue price of \$0.235 for each Share to raise approximately \$15 million ("**Placement**"). The issue price represents a 3.5% premium to the Company's NTA as at 30 June 2017 and the issue price represents a 7.3% discount to the Company's 30-day volume weighted average Share price prior to the announcement of the Placement. The Placement consists of two tranches which will both open on 18 September 2017:

1. The first tranche of the Placement ("**Placement Offer 1**") is set to close on 10 October 2017 and the Company will issue up to 27,659,574 Shares at the issue price of \$0.235 per Share to raise gross proceeds of approximately \$6.5 million. The Share issue under Placement Offer 1 will occur prior to this Meeting without Shareholder approval under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1.
2. The second tranche of the Placement ("**Placement Offer 2**"), involves the issue of the further Shares to certain institutional and sophisticated investors as well as select related parties of the Company to raise an additional amount so that a maximum of \$15 million of gross proceeds are raised under the Placement, less the amount raised under Placement Offer 1. Placement Offer 2 is set to close on 19 October 2017. This Share issue is subject to and requires Shareholder approval.

Under Resolution 1 the Company is seeking the approval of Shareholders, for the purposes of ASX Listing Rule 7.1.

What is the effect of ASX Listing Rules 7.1 and 7.3?

In general terms, ASX Listing Rule 7.1 imposes a 15% cap on the number of shares that can be issued by the Company, without approval of shareholders or ASX waiver, in any 12 month period ("**15% limit**"). However, the Company is permitted to issue shares (or other securities) in excess of the 15% limit if the issue is approved by Shareholders.

ASX Listing Rule 7.3 sets out the information that must be contained in a notice of meeting for shareholders to approve an issue under Listing Rule 7.1.

Why is the Company seeking approval for the prior issue of Shares under Placement Offer 1?

The purpose of Resolution 1 is for Shareholders to separately approve, pursuant to ASX Listing Rule 7.1, the issues of all of the Shares under Placement Offer 1 to restore the Company's ability to issue further securities within the 15% limit under ASX Listing Rule 7.1 during the next 12 months.

The effect of the proposed approval by Shareholders of Resolution 1 would be that the Shares issued under Placement Offer 1 will not count towards the Company's 15% limit.

The Directors consider that it is appropriate and prudent for approval to be sought in respect of all Shares issued under Placement Offer 1, as this approval (under Resolution 1) will enhance the Company's flexibility to raise further equity capital, should the Directors consider that it is in the best interests of the Company to do so.

If Shareholders do not approve Resolution 1, the prior issue of the Shares under Placement Offer 1 will be included in the Company's 15% limit.

The Company confirms that the issues of the Shares under Placement Offer 1 did not breach ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, Shareholders are provided the following information:

1. In respect of **Resolution 1** concerning the issue of the Shares under Placement Offer 1:

The maximum number of securities issued	27,659,574 Shares.
The price at which the securities were issued	\$0.235 per Share.
The date by which the shares will be issued	13 October 2017
The terms of the securities	Fully paid ordinary shares in the capital of the Company which ranked, from the date of their issue, equally with all existing issued Shares.
The names of the persons to whom the securities were issued	Certain institutional and sophisticated investors nominated by the Company in consultation with Bell Potter Securities Limited, who is acting as lead manager for the Placement.
The intended use of the funds raised	The funds to be raised will be added to the Company's existing cash and will be available to be deployed to pursue investments, as well as to meet general working capital requirements and expenses (including expenses associated with and incidental to the Placement).

A voting exclusion statement is included in the Notice of Meeting.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Approval of the issue of the Shares under Placement Offer 2

Background

As outlined above, the second tranche of the Placement ("**Placement Offer 2**"), involves the issue of the further placement of up to 63,829,787 Shares (reduced by the amount of Shares issued under Placement Offer 1) to raise up to \$15 million under the Placement (both Placement 1 and Placement 2).

Placement Offer 2 consists of two components:

- A. An issue of up to 49,951,000 Shares (reduced by the amount of Shares issued under Placement Offer 1) to institutional and sophisticated investors.
- B. An issue of up to 13,878,787 Shares to select related parties of the Company.

Under Resolution 2 the Company is seeking the approval of Shareholders, for the purposes of ASX Listing Rule 7.1, for an issue of up to 63,829,787 Shares (reduced by the amount of Shares issued under Placement Offer 1) to institutional and sophisticated investors under Placement Offer 2.

What is the effect of ASX Listing Rule 7.1?

As set out above, ASX Listing Rule 7.1 imposes a 15% limit on the number of shares that can be issued by the Company, without approval of shareholders or ASX waiver, in any 12 month period. However, the Company is permitted to issue shares (or other securities) in excess of the 15% limit if the issue is approved by Shareholders.

Why is the Company seeking approval for the issue of the Shares under Placement Offer 2 to institutional and sophisticated investors?

The purpose of Resolution 2 is to obtain Shareholder approval to issue Shares to certain institutional and sophisticated investors nominated by the Company that are unable to participate in Placement Offer 1 due to Listing Rule 7.1, as such issue would exceed the 15% limit. If Resolution 2 is approved by Shareholders, the Company will be able to issue the Shares under Placement Offer 2 to certain institutional and sophisticated investors even if the issue exceeds the 15% limit. Further, approving the issue of the Shares Resolution 2 will mean that the issue will not be counted under the 15% limit. This will enable the Company to issue further Shares up to a new 15% limit in the next 12 month period without Shareholder approval.

If Shareholders do not approve Resolution 2, the Company will not issue any Shares under Placement Offer 2 other than in respect of Shares which are separately approved under Resolutions 3 and 4.

Information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, Shareholders are provided the following information:

The maximum number of securities to be issued	63,829,787 Shares (less the amount of Shares issued under Placement Offer 1).
The date by which the securities will be issued	The Company expects to issue the Shares under Placement Offer 2 on 24 October 2017 and, in any event, no later than 3 months after the date of the Meeting.
The issue price at which the securities will be issued	\$0.235 per Share.
Names of allottees (if known) or the basis upon which allottees will be identified or selected	Certain institutional and sophisticated investors nominated by the Company in consultation with Bell Potter Securities Limited, is acting as lead manager for the Placement. In addition, Resolutions 3, 4 and 5 deal with potential participation by certain related parties
The terms of the securities	Fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares.

Intended use of funds raised	The funds to be raised will be added to the Company's existing cash and will be available to be deployed to pursue investments, as well as to meet general working capital requirements and expenses (including expenses associated with and incidental to the Placement).
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A voting exclusion statement is included in the Notice of Meeting.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

Resolution 3 – Approval for participation in Placement Offer 2 by Thorney Holdings**Background**

As outline above, a component of Placement Offer 2 involves an issue of Shares to select related parties of the Company.

Resolution 3 is proposed to seek Shareholder approval for Thorney Holdings Proprietary Limited, a related party of the Company, (and/or its nominee(s)) to participate in Placement Offer 2 by subscribing for up to 13,617,021 Shares at an issue price of \$0.235 per Share and otherwise on the same terms and conditions as other investors to the Placement. For the avoidance of doubt, the Shares the subject of this Resolution 3 form part of the Shares proposed to be issued under Placement Offer 2.

Thorney Holdings has an interest in 43,462,038 of the Company's shares, being approximately 22.46% of the Company's issued capital (before the Placements). Thorney Holdings has committed to subscribe for shares under the Placement equivalent to approximately \$3.2 million (based on \$0.235 per share, subject to not acquiring any Shares which would result in it holding more than an additional 3% of the Shares on top of its existing interest). Thorney Holdings percentage increase in the issued capital of the Company after the Placement will depend upon the number of shares issued to parties other than Thorney Holdings under the Placement, and by way of illustration:

- If the total gross proceeds of the Placement is \$6.5 million, and Thorney Holdings will subscribe for a maximum number of Shares equivalent to \$3.0 million and third parties subscribe for \$3.5 million, then Thorney Holdings will have an interest in approximately 25.46% of the Company's issued capital. In this example Thorney Holdings' subscription is capped at 25.46% under Resolution 3.
- If total gross proceeds of Placement 1 is \$6.5 million, and no further Shares are issued, then Thorney Holdings will be diluted to approximately 19.65%.
- If the total gross proceeds of the Placement is \$15.0 million, and Thorney Holdings subscribes for \$3.2 million and third parties subscribe for \$11.8 million then Thorney Holdings will have an interest in approximately 22.18% of the Company's issued capital.

The above is for illustration purposes, and the final interest of Thorney Holdings after the Placement will depend upon the number of shares issued to third parties.

Requirement of Shareholder approval - ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. A related party includes a Director of the Company and an entity controlled by a Director of the Company. Thorney Holdings is a related party of the Company because it is controlled by Mr Alex Waislitz (a Director of the Company).

If shareholder approval is obtained under ASX Listing Rule 10.11, shareholder approval is not required under ASX Listing Rule 7.1.

If Resolution 3 is approved by Shareholders:

- Thorney Holdings (and/or its nominee(s)) will be entitled to be issued 13,617,021 Shares in the Company; and
- the Shares issued to Thorney Holdings will not count towards the Company's 15% limit.

Notwithstanding approval under this resolution, Thorney Holdings will not acquire any Shares which would result in it holding more than 25.46% of the Shares, being 3% more than Thorney Holdings' current holding.

Information required by ASX Listing Rule 10.13

In accordance with ASX Listing Rule 10.13, Shareholders are provided the following information:

The name of the allottee	Thorney Holdings (and/or its nominee(s))
The maximum number of securities to be issued	up to 13,617,021 Shares. (subject to Thorney Holdings not acquiring a relevant interest of greater than 25.46% of the Shares).
The date by which the securities will be issued	The Company expects to issue the Shares to Thorney Holdings on 24 October 2017 and, in any event, no later than 1 month after the date of the Meeting.
The issue price at which the securities will be issued	\$0.235 per Share.
The terms of the securities	Fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares.
Intended use of funds raised	The funds to be raised will be added to the Company's existing cash and will be available to be deployed to pursue investments, as well as to meet general working capital requirements and expenses (including expenses associated with and incidental to the Placement).

A voting exclusion statement is included in the Notice of Meeting.

Corporations Act

Section 208 of the Corporations Act provides that a public company must not, subject to certain exceptions, give a financial benefit to a related party without approval of the company's members. Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include:

- a director of the public company; and
- an entity controlled by a director of the public company.

Thorney Holdings is a related party of the Company for the purposes of Chapter 2E of the Corporations Act because it is controlled by Mr Alex Waislitz (a Director of the Company).

A "financial benefit" is defined in section 229 of the Corporations Act and includes issuing shares to a related party.

Section 210 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for giving a financial benefit to a related party, where the financial benefit is on terms which would be reasonable in the circumstances if the public company and the related party were dealing at arm's length.

Thorney Holdings will subscribe for the Shares the subject of this Resolution 3 and participate in the Placement on the same terms and conditions as those Shares placed by the Company under the Placement. Therefore, the Company considers that the proposed participation in the Placement by Thorney Holdings and the Company's issue of Shares to it falls within the arm's length exception set out in section 210 of the Corporations Act.

Recommendation

The Directors, except for Mr Alex Waislitz who has an interest in this Resolution 3, unanimously recommend that Shareholders vote in favour of Resolution 3.

Resolution 4 – Approval for participation in Placement Offer 2 by Director Mr Alan Fisher**Background**

Resolution 4 is proposed to seek Shareholder approval for Mr Alan Fisher, an Independent, Non-Executive Director of the Company (and/or his nominee(s)) to participate in Placement Offer 2, by subscribing for 49,000 Shares at an issue price of \$0.235 per Share and otherwise on the same terms and conditions as other investors to the Placement. For the avoidance of doubt, the Shares the subject of this Resolution 4 form part of the Shares proposed to be issued under Placement Offer 2.

Requirement of Shareholder approval - ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. A related party includes a Director of the Company. Mr Alan Fisher is a related party of the Company, being a Non-Executive, Independent Director.

If shareholder approval is obtained under ASX Listing Rule 10.11, shareholder approval is not required under ASX Listing Rule 7.1.

If Resolution 4 is approved by Shareholders:

- Mr Alan Fisher (and/or his nominee(s)) will be entitled to be issued 49,000 Shares in the Company; and
- the 49,000 Shares issued to Mr Alan Fisher will not count towards the Company's 15% limit.

Information required by ASX Listing Rule 10.13

In accordance with ASX Listing Rule 10.13, Shareholders are provided the following information:

The name of the allottee	Mr Alan Fisher (and/or his nominee(s)).
The maximum number of securities to be issued	49,000 Shares.
The date by which the securities will be issued	The Company expects to issue the Shares on 24 October 2017 and, in any event, no later than 1 month after the date of the Meeting.
The issue price at which the securities will be issued	\$0.235 per Share.
The terms of the securities	Fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares.
Intended use of funds raised	The funds to be raised will be added to the Company's existing cash and will be available to be deployed to pursue investments, as well as to meet general working capital requirements and expenses (including expenses associated with and incidental to the Placement).

A voting exclusion statement is included in the Notice of Meeting.

Corporations Act

Section 208 of the Corporations Act provides that a public company must not, subject to certain exceptions, give a financial benefit to a related party without approval of the company's members. Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include:

- a director of the public company; and
- an entity controlled by a director of the public company.

Mr Alan Fisher is a related party of the Company for the purposes of Chapter 2E of the Corporations Act as he is a Director of the Company.

A "financial benefit" is defined in section 229 of the Corporations Act and includes issuing shares to a related party.

Section 210 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for giving a financial benefit to a related party, where the financial benefit is on terms which would be reasonable in the circumstances if the public company and the related party were dealing at arm's length.

Mr Alan Fisher will subscribe for the Shares the subject of this Resolution 4 and participate in Placement Offer 2 on the same terms and conditions as those Shares placed by the Company under the Placement. Therefore, the Company considers that the proposed participation in the Placement by Mr Alan Fisher and the Company's issue of Shares to him falls within the arm's length exception set out in section 210 of the Corporations Act.

Recommendation

The Directors, except for Mr Alan Fisher who has an interest in this Resolution 4, unanimously recommend that Shareholders vote in favour of Resolution 4.

Resolution 5 – Approval for participation in Placement Offer 2 by Director Mr Jeremy Leibler**Background**

Resolution 5 is proposed to seek Shareholder approval for Mr Jeremy Leibler, a Non-Executive Director of the Company (and/or his nominee(s)) to participate in Placement Offer 2, by subscribing for 212,766 Shares at an issue price of \$0.235 per Share and otherwise on the same terms and conditions as other investors to the Placement. For the avoidance of doubt, the Shares the subject of this Resolution 5 form part of the Shares proposed to be issued under Placement Offer 2.

Requirement of Shareholder approval - ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. A related party includes a Director of the Company. Mr Jeremy Leibler is a related party of the Company, being a Non-Executive Director.

If shareholder approval is obtained under ASX Listing Rule 10.11, shareholder approval is not required under ASX Listing Rule 7.1.

If Resolution 5 is approved by Shareholders:

- Mr Jeremy Leibler (and/or his nominee(s)) will be entitled to be issued 212,766 Shares in the Company; and
- the 212,766 Shares issued to Mr Jeremy Leibler will not count towards the Company's 15% limit.

Information required by ASX Listing Rule 10.13

In accordance with ASX Listing Rule 10.13, Shareholders are provided the following information:

The name of the allottee	Mr Jeremy Leibler (and/or his nominee(s)).
The maximum number of securities to be issued	212,766 Shares.
The date by which the securities will be issued	The Company expects to issue the Shares on 24 October 2017 and, in any event, no later than 1 month after the date of the Meeting.
The issue price at which the securities will be issued	\$0.235 per Share.
The terms of the securities	Fully paid ordinary shares in the capital of the Company which will rank, from the date of their issue, equally with all existing issued Shares.
Intended use of funds raised	The funds to be raised will be added to the Company's existing cash and will be available to be deployed to pursue investments, as well as to meet general working capital requirements and expenses (including expenses associated with and incidental to the Placement).

A voting exclusion statement is included in the Notice of Meeting.

Corporations Act

Section 208 of the Corporations Act provides that a public company must not, subject to certain exceptions, give a financial benefit to a related party without approval of the company's members. Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include:

- a director of the public company; and
- an entity controlled by a director of the public company.

Mr Jeremy Leibler is a related party of the Company for the purposes of Chapter 2E of the Corporations Act as he is a Director of the Company.

A "financial benefit" is defined in section 229 of the Corporations Act and includes issuing shares to a related party.

Section 210 of the Corporations Act provides an exception to the requirement to obtain shareholder approval for giving a financial benefit to a related party, where the financial benefit is on terms which would be reasonable in the circumstances if the public company and the related party were dealing at arm's length.

Mr Jeremy Leibler will subscribe for the Shares the subject of this Resolution 5 and participate in Placement Offer 2 on the same terms and conditions as those Shares placed by the Company under the Placement. Therefore, the Company considers that the proposed participation in the Placement by Mr Jeremy Leibler and the Company's issue of Shares to him falls within the arm's length exception set out in section 210 of the Corporations Act.

Recommendation

The Directors, except for Mr Jeremy Leibler who has an interest in this Resolution 5, unanimously recommend that Shareholders vote in favour of Resolution 5.

GLOSSARY

In this Explanatory Statement and the Notice of Meeting, the following terms have the following meanings unless the context otherwise requires:

"\$" means Australian dollars;

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**ASX Listing Rules**" means the official listing rules of ASX;

"**Board**" means the current board of Directors of the Company;

"**Company**" means Thorney Technologies Ltd ACN 096 782 188;

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

"**Directors**" mean the current directors of the Company;

"**Explanatory Statement**" means the explanatory statement accompanying this Notice of Meeting;

"**Meeting**" means the extraordinary general meeting of Shareholders to be held at Arnold Bloch Leibler, Level 21, 333 Collins Street, Melbourne VIC 3000 on 18 October 2017 at 11:00am (Melbourne time);

"**Notice of Meeting**" means this notice of extraordinary general meeting, including the Explanatory Statement and the Proxy Form;

"**Placement**" means both Placement Offer 1 and Placement Offer 2.

"**Placement Offer 1**" means the issue of up to 27,659,574 Shares to certain institutional and sophisticated investors at an issue price of \$0.235 per Share to raise approximately \$6.5 million;

"**Placement Offer 2**" means the issue of up to 63,829,787 Shares to certain institutional and sophisticated investors and select related parties of the Company at an issue price of \$0.235 per Share to raise approximately \$15 million;

"**Proxy Form**" means the proxy form attached to this Notice of Meeting;

"**Resolutions**" means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires;

"**Share**" means a fully paid ordinary share in the capital of the Company;

"**Shareholder**" means a holder of a Share;

"**Thorney Holdings**" means Thorney Holdings Proprietary Limited (ACN 006 262 835)

Thorney Technologies Ltd

ABN 66 096 782 188

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

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

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

For all enquiries call:

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

TEK

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

Proxy Form

XX



Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

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



For your vote to be effective it must be received by 11:00am (Melbourne time) on Monday, 16 October 2017

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

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

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

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

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



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



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Thorney Technologies Ltd hereby appoint



the Chairman
of the Meeting **OR**



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Thorney Technologies Ltd to be held at Arnold Bloch Leibler, Level 21, 333 Collins Street, Melbourne VIC 3000 on Wednesday, 18 October 2017 at 11:00am (Melbourne time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business



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

	For	Against	Abstain
Resolution 1 Approval of the issue of the Shares under Placement Offer 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval of the issue of the Shares under Placement Offer 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval for participation in Placement Offer 2 by Thorney Holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval for participation in Placement Offer 2 by Mr Alan Fisher	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval for participation in Placement Offer 2 by Mr Jeremy Leibler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

TEK

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Computershare +