



# Notice of annual general meeting and explanatory memorandum

**KNeoMedia Limited**

ACN 009 221 783

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**Date:** Wednesday 15 November 2017

**Time:** 12.30 pm (AEDT)

**Place:** Baker McKenzie,  
Level 19, 181 William Street  
Melbourne, Victoria, 3000

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# NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE is given that the 2017 Annual General Meeting of KNeoMedia Limited will be held at the offices of Baker McKenzie, Level 19, 181 William Street, Melbourne, Victoria on Wednesday 15 November 2017 at 12.30 pm (AEDT).

## BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting:

### 1. Financial and related reports

Item 1	Financial and related reports
Description	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2017.

### 2. Adoption of Remuneration Report (non-binding resolution)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
Description	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2017 Annual Report and is available from the Company's website (<a href="http://www.kneomedia.com">www.kneomedia.com</a>).</p> <p>In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the Directors or the Company.</p>
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2017 be adopted."</b></i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"><li>▪ by or on behalf of a member of Key Management Personnel (<b>KMP</b>) named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast;</li><li>▪ as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:<ul style="list-style-type: none"><li>○ in accordance with their directions of how to vote as set out in the proxy appointment; or</li><li>○ by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.</li></ul></li></ul>

### 3. Re-election of Director

Resolution 2	Re-election of Mr Jeffrey Bennett as Director
Description	Mr Jeffrey Bennett retires as a Director of the Company in accordance with clauses 15.3(a) and 15.3(b) of the Company's constitution and, being eligible, offers himself for re-election under clause 15.3(c) of the constitution.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT</b> Mr Jeffrey Bennett, having retired from his office as a Director in accordance with clauses 15.3(a) and 15.3(b) of the Company's constitution and, being eligible under clause 15.3(c) of the constitution, having offered himself for re-election, be re-elected as a Director of the Company."</i>

### 4. Ratification of previous issues of securities

Resolution 3A	Ratification of issue of March Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 2,078,846 Shares on 24 March 2017 under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 2,078,846 Shares on 24 March 2017, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i>
Voting Exclusion	The Company will disregard any votes cast on Resolution 3A by: <ul style="list-style-type: none"> <li>(a) any person who participated in the issue of Shares under this resolution; and</li> <li>(b) any associates of those persons.</li> </ul> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>

Resolution 3B	Ratification of issue of June Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 22,086,248 Shares on 15 June 2017 under ASX Listing Rule 7.1, as part of the June Capital Raising.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 22,086,248 Shares on 15 June 2017, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i>

<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 3B by:</p> <ul style="list-style-type: none"> <li>(a) any person who participated in the issue of Shares under this resolution; and</li> <li>(b) any associates of those persons.</li> </ul> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>
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<b>Resolution 3C</b>	<b>Ratification of issue of August Shares</b>
<b>Description</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 2,500,000 Shares on 2 August 2017 under ASX Listing Rule 7.1.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 2,500,000 Shares on 2 August 2017, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</b></i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 3C by:</p> <ul style="list-style-type: none"> <li>(a) any person who participated in the issue of Shares under this resolution; and</li> <li>(b) any associates of those persons.</li> </ul> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>

<b>Resolution 3D</b>	<b>Ratification of issue of May 7.1A Shares</b>
<b>Description</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 4,084,322 Shares on 1 May 2017 under ASX Listing Rule 7.1A.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 4,084,322 Shares on 1 May 2017 on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</b></i></p>

<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 3D by:</p> <ul style="list-style-type: none"> <li>(a) any person who participated in the issue of Shares under this resolution; and</li> <li>(b) any associates of those persons.</li> </ul> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>
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<b>Resolution 3E</b>	<b>Ratification of issue of June 7.1A Shares</b>
<b>Description</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 9,229,812 Shares on 15 June 2017 under ASX Listing Rule 7.1A, as part of the June Capital Raising.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 9,229,812 Shares on 15 June 2017, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</b></i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 3E by:</p> <ul style="list-style-type: none"> <li>(a) any person who participated in the issue of Shares under this resolution; and</li> <li>(b) any associates of those persons.</li> </ul> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>

## 5. Approval of issues of securities

<b>Resolution 4A</b>	<b>Approval of issue of Shares to Note Holder</b>
<b>Description</b>	The Company seeks shareholder approval for the issue of 23,487,043 Shares without using the Company's 15% placement capacity under ASX Listing Rule 7.1. The Shares will be issued to a convertible note holder which has converted its notes into Shares, and exercised its rights (under the terms of the notes) to subscribe for additional Shares in the Company at a pre-determined price of \$0.01277 per Share.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 23,487,043 Shares to a Note Holder, at an issue price of \$0.01277 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</b></i></p>

<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 4A by:</p> <ul style="list-style-type: none"> <li>(a) any person who may participate in the proposed issue of the Shares under this resolution; and</li> <li>(b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and</li> <li>(c) any associates of the persons named in sub-paragraphs (a) and (b).</li> </ul> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(e) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</li> </ul>
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<b>Resolution 4B</b>	<b>Approval of issue of LTIP Shares to Director</b>
<b>Description</b>	The Company seeks shareholder approval for the issue of 2,000,000 Shares under the Long Term Incentive Plan ( <b>LTIP</b> ) to Mr Frank Lieberman, Executive Director of the Company, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholders approve the issue of 2,000,000 Shares to Mr Frank Lieberman, Executive Director of the Company, or his nominee(s), pursuant to the Company's Long Term Incentive Plan, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 4B:</p> <ul style="list-style-type: none"> <li>(a) by the Directors who are eligible to participate in the LTIP and any associates of those Directors; and</li> <li>(b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote.</li> </ul> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.</li> </ul>

Resolution 4C	Approval of issue of Shares to Director in lieu of fees
Description	The Company seeks shareholder approval for the issue of 705,802 Shares to Mr Jeffrey Bennett, Non-Executive Director, in lieu of outstanding Director's fees owing to Mr Bennett, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 705,802 Shares to Mr Jeffrey Bennett or his nominee(s) in lieu of Director's fees, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 4C:</p> <ul style="list-style-type: none"> <li>(a) by Mr Jeffrey Bennett and his nominees and any of their associates;</li> <li>(b) as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote.</li> </ul> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.</li> </ul>
Resolution 4D	Approval of issue of Broker Options
Description	<p>The Company seeks shareholder approval for the issue of 5,000,000 options, each exercisable into a Share at \$0.025 on or before 3 May 2018, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.</p> <p>The options are proposed to be issued to the broker which facilitated the June Capital Raising, as part consideration for the capital raising services provided by the broker.</p>
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholder approval is given for the Company to issue 5,000,000 options, each exercisable into a Share at \$0.025 on or before 3 May 2018, to Sanlam Private Wealth (or its nominee(s)), and the issue of underlying Shares in respect of those options, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i></p>

<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on Resolution 4D by:</p> <ul style="list-style-type: none"> <li>(a) any person who may participate in the proposed issue of the options under this resolution; and</li> <li>(b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and</li> <li>(c) any associates of the persons named in sub-paragraphs (a) and (b).</li> </ul> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(e) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</li> </ul>
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## 6. Approval of 10% Placement Capacity

<b>Resolution 5</b>	<b>Approval of 10% Placement Capacity</b>
<b>Description</b>	The Company seeks approval of shareholders to be able to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its 15% Placement Capacity under ASX Listing Rule 7.1.
<b>Resolution (Special)</b>	<p>To consider and, if thought fit, pass the following resolution as a <b>special resolution</b>:</p> <p><i><b>“THAT for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities by way of placements over a 12-month period, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</b></i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on this resolution by any person who may participate in the issue of Equity Securities under this resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed and any associates of those persons.</p> <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(b) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</li> </ul>

Dated: 16 October 2017

By order of the Board of KNeoMedia Limited



**Sophie Karzis**  
Company Secretary



# IMPORTANT INFORMATION

## QUESTIONS FROM SHAREHOLDERS

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In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, Grant Thornton, in relation to the conduct of the external audit for the year ended 30 June 2017, or the content of its audit report. Please send your questions to:

The Company Secretary, **KNeoMedia Limited**  
Level 1, 61 Spring Street, Melbourne VIC 3000

T. 03 9286 7500  
F. 03 9662 1472  
E. [sk@ccounsel.com.au](mailto:sk@ccounsel.com.au)

Written questions must be received by no later than **12:30 pm (AEDT) on Wednesday 8 November 2017**. Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable and, where appropriate, will give a representative of the Auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

## VOTING INFORMATION

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### Voting by proxy

- (a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the Meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the Meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the Meeting.
- (e) A proxy form accompanies this Notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority by **12.30 pm (AEDT) on Monday 13 November 2017** at the share registry, being the office of Automic Registry Services:
  - by **post** at:  
Share Registry – Automic Registry Services  
PO Box 2226  
Strawberry Hills NSW 2012

- by **personal delivery** at:  
 Share Registry – Automic Registry Services  
 Suite 309, Level 3  
 50 Holt Street  
 Surry Hills NSW 2010; or
- by **voting on-line** at: <https://investor.automic.com.au/#/loginsah>

## **Voting and other entitlements at the Meeting**

A determination has been made by the Board under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that shares in the Company which are on issue at **7.00pm (AEDT)** on **Monday 13 November 2017** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the Meeting).

## **Proxy voting by the Chair**

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth) imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolutions 1, 4B and 4C. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 4B and 4C. If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

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

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1, 4B and 4C, he or she will not vote your proxy on that item of business.

# EXPLANATORY MEMORANDUM TO NOTICE OF 2017 ANNUAL GENERAL MEETING

## 1. Financial and related reports

Item 1: Financial and related reports	
<b>Explanation</b>	<p>Section 317 of the Corporations Act requires the Company's financial report, Directors' report and auditor's report for the financial year ended 30 June 2017 to be laid before the Company's 2017 Annual General Meeting. There is no requirement for a formal resolution on this item. The financial report contains the financial statements of the consolidated entity consisting of the Company and its controlled entities.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2017 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2017 Annual Report is available from the Company's website (<a href="http://www.kneomedia.com">www.kneomedia.com</a>).</p> <p>The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2017, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Grant Thornton in relation to the conduct of the audit.</p>

## 2. Adoption of Remuneration Report (non-binding resolution)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
<b>Explanation</b>	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2017 Annual Report and is available from the Company's website (<a href="http://www.kneomedia.com">www.kneomedia.com</a>).</p> <p>The Remuneration Report:</p> <ul style="list-style-type: none"> <li>▪ describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;</li> <li>▪ sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and</li> <li>▪ explains the differences between the basis for remunerating Non-Executive Directors and senior executives, including the Chief Executive Officer.</li> </ul> <p>The vote on this item is advisory only and does not bind the Directors. The Board will take into account the discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

### 3. Re-election of Director

Resolution 2: Re-election of Mr Jeffrey Bennett as Director	
<b>Explanation</b>	<p>Clause 15.3(a)(ii) of the Company's constitution requires at least one Director to retire at each annual general meeting of the Company. Under clause 15.3(b) of the constitution, the Director to retire under clause 15.3(a)(ii) is the person who has held office as Director for the longest period of time since their last election to office.</p> <p>Mr Jeffrey Bennett has held office as Director for the longest period of time since his last re-election to office in 2015, and accordingly retires as a Director at the 2017 Annual General Meeting. Mr Bennett, being eligible under clause 15.3(c) of the constitution, offers himself for re-election as Director.</p>
<b>About Mr Jeffrey Bennett</b>	<p>Mr Bennett (B Comm CPA) was appointed to the Board as a Non-Executive Director on 19 March 2008. He is considered to be an independent Director by the Board. Mr Bennett brings significant experience in corporate finance, capital markets, acquisitions and divestments and risk management to the Company. He has more than 25 years' experience in the resources, transport, IT and service industries having held senior finance positions at Ingena, Simcoco Pacific, BHP and Shell. Mr Bennett is the chairman of Jameson Resources Limited (ASX: JAL).</p> <p>Mr Bennett has a relevant interest in 6,383,614 Shares and 2,627,795 performance rights in the Company.</p>
<b>Board Recommendation</b>	The Board, with Mr Jeffrey Bennett abstaining, recommends that shareholders vote in favour of Resolution 2.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

### 4. Ratification of previous issues of securities

Resolutions 3A – 3C: Ratification of previous issues of Shares under ASX Listing Rule 7.1	
<b>Explanation</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under ASX Listing Rule 7.1.
<b>ASX Listing Rules</b>	<p>ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without shareholder approval.</p> <p>ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1, by permitting the ratification of previous issues of shares which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If shareholders of a company approve the ratification of such previous issues of shares at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the Company's previous issues of Shares (made under ASX Listing Rule 7.1) by way of approving Resolutions 3A, 3B and 3C, those Shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>

<p><b>Specific information for Resolution 3A</b></p>	<p>Resolution 3A seeks shareholder ratification of the issue of 2,078,846 Shares on 24 March 2017 under ASX Listing Rule 7.1 (<b>March Shares</b>).</p> <p>The March Shares were issued under the Company's 15% Placement Capacity to a Note Holder, following conversion of the holder's notes into Shares, and the holder's subsequent exercise of its subscription entitlement rights (under the terms of the notes) to subscribe for an additional 2,078,846 new Shares at a pre-determined issue price of \$0.012 per Share at the time of note conversion.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table border="0"> <tr> <td><b>No. of securities issued</b></td><td>2,078,846 fully paid ordinary shares.</td></tr> <tr> <td><b>Issue price</b></td><td>\$0.012 per Share.</td></tr> <tr> <td><b>Recipient of issue</b></td><td>A Note Holder that converted its notes into Shares on 24 March 2017.</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised (\$25,000) were applied towards the Company's general working capital requirements.</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	2,078,846 fully paid ordinary shares.	<b>Issue price</b>	\$0.012 per Share.	<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 24 March 2017.	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised (\$25,000) were applied towards the Company's general working capital requirements.	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	2,078,846 fully paid ordinary shares.												
<b>Issue price</b>	\$0.012 per Share.												
<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 24 March 2017.												
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	The funds raised (\$25,000) were applied towards the Company's general working capital requirements.												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												
<p><b>Specific information for Resolution 3B</b></p>	<p>Resolution 3B seeks shareholder ratification of the issue of 22,086,248 Shares on 15 June 2017 under ASX Listing Rule 7.1 (<b>June Shares</b>), as part of the June Capital Raising.</p> <p>The June Shares were issued under the Company's 15% Placement Capacity to a number of Note Holders, following conversion of their convertible notes into Shares, and the Note Holders' subsequent exercise of their subscription entitlement rights (under the terms of the notes) to subscribe for additional new Shares at a pre-determined issue price of \$0.01277 per Share at the time of note conversion.</p> <p>In accordance with ASX Listing Rule 7.5, the following information is provided to shareholders:</p> <table border="0"> <tr> <td><b>No. of securities issued</b></td><td>22,086,248 fully paid ordinary shares.</td></tr> <tr> <td><b>Issue price</b></td><td>\$0.01277 per Share.</td></tr> <tr> <td><b>Recipients of issue</b></td><td>Note Holders that converted their convertible notes into Shares as part of the June Capital Raising.</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	22,086,248 fully paid ordinary shares.	<b>Issue price</b>	\$0.01277 per Share.	<b>Recipients of issue</b>	Note Holders that converted their convertible notes into Shares as part of the June Capital Raising.	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	22,086,248 fully paid ordinary shares.												
<b>Issue price</b>	\$0.01277 per Share.												
<b>Recipients of issue</b>	Note Holders that converted their convertible notes into Shares as part of the June Capital Raising.												
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												

<b>Specific information for Resolution 3C</b>	<p>Resolution 3C seeks shareholder ratification of the issue of 2,500,000 Shares on 2 August 2017 under ASX Listing Rule 7.1 (<b>August Shares</b>).</p> <p>The August Shares were issued under the Company's 15% Placement Capacity to a Note Holder, following conversion of the holder's notes into Shares, and the holder's subsequent exercise of its subscription entitlement rights (under the terms of the notes) to subscribe for an additional 2,500,000 new Shares at a pre-determined issue price of \$0.02 per Share at the time of note conversion.</p> <p>In accordance with ASX Listing Rule 7.5, the following information is provided to shareholders:</p> <table border="0"> <tr> <td><b>No. of securities issued</b></td><td>2,500,000 fully paid ordinary shares.</td></tr> <tr> <td><b>Issue price per security</b></td><td>\$0.02 per Share.</td></tr> <tr> <td><b>Recipient of issue</b></td><td>A Note Holder that converted its notes into Shares on 2 August 2017.</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	2,500,000 fully paid ordinary shares.	<b>Issue price per security</b>	\$0.02 per Share.	<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 2 August 2017.	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	2,500,000 fully paid ordinary shares.												
<b>Issue price per security</b>	\$0.02 per Share.												
<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 2 August 2017.												
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												
<b>Board Recommendation</b>	<p>The Directors believe that it is in the best interests of the Company to maintain its ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1. The Directors consider it to be appropriate and prudent for approval to be sought at the Meeting, in respect of the relevant issues of securities made by the Company in the last 12 months, as this approval will enhance the Company's flexibility to raise equity capital, should the Directors consider that it is in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if this approval is not obtained at the Meeting, the Company may be required to incur the additional costs and delay of convening another extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p> <p>Accordingly, the Board recommends that shareholders vote in favour of Resolutions 3A, 3B and 3C.</p>												
<b>Chairman's available proxies</b>	<p>The Chairman intends to vote all available proxies in favour of Resolutions 3A, 3B and 3C.</p>												

## Resolutions 3D and 3E: Ratification of previous issues of Shares under ASX Listing Rule 7.1A

<b>Explanation</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under ASX Listing Rule 7.1A.												
<b>ASX Listing Rules</b>	<p>The Company sought and received shareholder approval under ASX Listing Rule 7.1A at its 2016 Annual General Meeting to issue shares of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue Equity Securities under the its 15% Placement Capacity under ASX Listing Rule 7.1 (<b>10% Placement Capacity</b>).</p> <p>The effect of shareholder approval of Resolutions 3D and 3E is the reinstatement of the Company's capacity under Listing Rule 7.1A. This will effectively enable the Company to issue further shares under its 10% Placement Capacity (to the extent permitted by and subject to the conditions prescribed by Listing Rule 7.1A).</p> <p>Save for as otherwise set out in this Notice, the Directors do not currently have any specific intention to make any further issue of shares under ASX Listing Rule 7.1A in the next 12 months.</p> <p>However, as previously stated, the Directors consider it to be appropriate and prudent for approval to be sought at the Meeting, in respect of the relevant issue of Shares made by the Company in the last twelve months. The Directors believe this approval will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.</p>												
<b>Specific information for Resolution 3D</b>	<p>Resolution 3D seeks shareholder ratification of the issue of 4,084,322 Shares on 1 May 2017 under ASX Listing Rule 7.1A (<b>May 7.1A Shares</b>).</p> <p>The May 7.1A Shares were issued under the Company's 10% Placement Capacity to a Note Holder, following conversion of the holder's notes into Shares, and the holder's subsequent exercise of its subscription entitlement rights (under the terms of the notes) to subscribe for an additional 4,084,322 new Shares at a pre-determined issue price of \$0.0122 per Share at the time of note conversion.</p> <p>In accordance with ASX Listing Rule 7.5, the following information is provided to shareholders:</p> <table> <tr> <td><b>No. of securities issued</b></td><td>4,084,322 fully paid ordinary shares.</td></tr> <tr> <td><b>Issue price per security</b></td><td>\$0.0122 per Share.</td></tr> <tr> <td><b>Recipient of issue</b></td><td>A Note Holder that converted its notes into Shares on 1 May 2017.</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised were applied towards the Company's working capital requirements</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	4,084,322 fully paid ordinary shares.	<b>Issue price per security</b>	\$0.0122 per Share.	<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 1 May 2017.	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	4,084,322 fully paid ordinary shares.												
<b>Issue price per security</b>	\$0.0122 per Share.												
<b>Recipient of issue</b>	A Note Holder that converted its notes into Shares on 1 May 2017.												
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												

<b>Specific information for Resolution 3E</b>	<p>Resolution 3E seeks shareholder ratification of the issue of 9,229,812 Shares on 15 June 2017 under ASX Listing Rule 7.1A (<b>June 7.1A Shares</b>), as part of the June Capital Raising.</p> <p>The June 7.1A Shares were issued under the Company's 10% Placement Capacity to a number of Note Holders, following conversion of their convertible notes into Shares, and the Note Holders' subsequent exercise of their subscription entitlement rights (under the terms of the notes) to subscribe for additional new Shares at a pre-determined issue price of \$0.01277 per Share at the time of note conversion.</p> <p>In accordance with ASX Listing Rule 7.5, the following information is provided to shareholders:</p> <table border="0"> <tr> <td><b>No. of securities issued</b></td><td>9,229,812 fully paid ordinary shares.</td></tr> <tr> <td><b>Issue price per security</b></td><td>\$0.01277 per Share.</td></tr> <tr> <td><b>Recipients of issue</b></td><td>Note Holders that converted their convertible notes into Shares, as part of the June Capital Raising..</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	9,229,812 fully paid ordinary shares.	<b>Issue price per security</b>	\$0.01277 per Share.	<b>Recipients of issue</b>	Note Holders that converted their convertible notes into Shares, as part of the June Capital Raising..	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	9,229,812 fully paid ordinary shares.												
<b>Issue price per security</b>	\$0.01277 per Share.												
<b>Recipients of issue</b>	Note Holders that converted their convertible notes into Shares, as part of the June Capital Raising..												
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	The funds raised were applied towards the Company's working capital requirements, and the scaling up of the Company's roll-out into NY Public School system and broader US education market.												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												
<b>Board Recommendation</b>	<p>The Directors unanimously recommend that shareholders vote in favour of Resolutions 3D and 3E.</p>												
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 3D and 3E.</p>												

## 5. Approval of issues of securities

Resolution 4A: Approval of issue of Shares to Note Holder	
<b>Explanation</b>	<p>Resolution 4A seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 23,487,043 Shares, without using the Company's 15% Placement Capacity.</p> <p>The Shares are proposed to be issued to a Note Holder that participated in the June Capital Raising. Following the conversion of the holder's notes into Shares on 15 June 2017, the holder exercised its subscription entitlement rights (under the terms of the notes) to subscribe for an additional 23,487,043 new Shares at a pre-determined issue price of \$0.01277 per Share. As disclosed in the Company's ASX announcement dated 15 June 2017, due to the Company's capacity constraints under ASX Listing Rule 7.1 at the time, the Note Holder agreed to defer the timing of this issue until the Company receives approval for the issue at this Meeting for the purposes of ASX Listing Rule 7.1.</p> <p>If shareholders approve Resolution 4A, the Company will be able to issue the 23,487,043 Shares to the Note Holder without using its 15% Placement Capacity under ASX Listing Rule 7.1.</p>



<b>Specific information for Resolution 4A</b>	<p>In accordance with ASX Listing Rule 7.3, the following information is provided to shareholders:</p> <table> <tr> <td><b>Maximum no. of securities to be issued</b></td><td>23,487,043 fully paid ordinary shares.</td></tr> <tr> <td><b>Date by which securities will be issued</b></td><td>If shareholder approval is obtained for Resolution 4A, the Company will issue the Shares as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.</td></tr> <tr> <td><b>Issue price per security</b></td><td>\$0.01277 per Share.</td></tr> <tr> <td><b>Recipient of issue</b></td><td>Barrijag Pty Ltd, a Note Holder that converted its convertible notes into Shares on 15 June 2017.</td></tr> <tr> <td><b>Terms of securities</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>The funds raised will be applied towards the Company's working capital requirements.</td></tr> <tr> <td><b>Voting Exclusion</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>Maximum no. of securities to be issued</b>	23,487,043 fully paid ordinary shares.	<b>Date by which securities will be issued</b>	If shareholder approval is obtained for Resolution 4A, the Company will issue the Shares as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.	<b>Issue price per security</b>	\$0.01277 per Share.	<b>Recipient of issue</b>	Barrijag Pty Ltd, a Note Holder that converted its convertible notes into Shares on 15 June 2017.	<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	The funds raised will be applied towards the Company's working capital requirements.	<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>Maximum no. of securities to be issued</b>	23,487,043 fully paid ordinary shares.														
<b>Date by which securities will be issued</b>	If shareholder approval is obtained for Resolution 4A, the Company will issue the Shares as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.														
<b>Issue price per security</b>	\$0.01277 per Share.														
<b>Recipient of issue</b>	Barrijag Pty Ltd, a Note Holder that converted its convertible notes into Shares on 15 June 2017.														
<b>Terms of securities</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.														
<b>Use of funds raised</b>	The funds raised will be applied towards the Company's working capital requirements.														
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.														
<b>Board Recommendation</b>	<p>The Directors unanimously recommend that shareholders vote in favour of Resolution 4A.</p>														
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 4A.</p>														

#### Resolution 4B: Approval of issue of LTIP Shares to Director

<b>Explanation</b>	<p>Resolution 4B seeks shareholder approval pursuant to ASX Listing Rule 10.14 for the issue of 2,000,000 Shares to Mr Frank Lieberman, Executive Director, under the Company's Long Term Incentive Plan, which was approved by shareholders in 2016. The issue of the LTIP Shares is intended to reward and incentivise Mr Lieberman, a Director and key executive of the Company, without requiring further cash expenditure by the Company, and to further align his interests with that of shareholders.</p> <p>The Board considers that the Mr Lieberman's remuneration as Executive Director is below the average remuneration level for executive directors of companies with similar market capitalisation to the Company. On this basis, the Directors (with Mr Lieberman abstaining from making any determination in relation to the proposed Share issue) do not consider that there is any material opportunity cost or benefit foregone to the Company in issuing the LTIP Shares to Mr Lieberman.</p> <p>An alternative to the issue of LTIP Shares to Mr Lieberman would be to increase his executive remuneration. However, given the stage of the Company's existing operations and its growth strategy, and the necessity for cash reserves to be preserved and directed into the growth of the Company's business, the Board considers the issue of Shares to be an appropriate cash-free method of remunerating Mr Lieberman for his commitment and contribution to the Company.</p>
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<p><b>Approval not sought under Chapter 2E of the Corporations Act</b></p>	<p>For the purposes of Chapter 2E, Mr Lieberman is a related party of the Company by virtue of section 228(2) of the Corporations Act.</p> <p>A “financial benefit” is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act. The exceptions to the general prohibition are where the benefit is given with the approval of shareholders or the benefit is given in one or more of the limited circumstances in which the giving of a financial benefit to a related party of a public company is permitted.</p> <p>One exception to the general rule is where the benefit constitutes “reasonable remuneration” in respect of the duties and responsibilities of the related party in the management of the public company.</p> <p>The Directors consider that the issue of the LTIP Shares to Mr Lieberman constitutes reasonable remuneration to him given both the Company’s circumstances and the responsibilities involved in his role as Executive Director. On this basis, as the provision of such a benefit is expressly permitted by section 211(1) of the Corporations Act, the Board does not consider the Company is required to seek shareholder approval for the purposes of Chapter 2E of the Corporations Act in order to give Mr Lieberman the financial benefit that is inherent in the issue of the Shares.</p>								
<p><b>ASX Listing Rules</b></p>	<p>Under ASX Listing Rule 10.14, the acquisition of securities by a Director under an employee incentive scheme (such as the LTIP) requires shareholder approval. Accordingly, the Company is seeking approval for the issue of the LTIP Shares to Mr Lieberman for the purposes of ASX Listing Rule 10.14.</p> <p>Exception 14 in ASX Listing Rule 7.2 provides that ASX Listing Rule 7.1 does not apply where shareholder approval for an issue of securities is obtained under ASX Listing Rule 10.14. This means that, if shareholder approval is obtained for Resolution 4B, the issue of the LTIP Shares to Mr Lieberman will not deplete the Company’s 15% Placement Capacity under ASX Listing Rule 7.1.</p>								
<p><b>Specific information for Resolution 4B</b></p>	<p>In accordance with ASX Listing Rule 10.15, the following information is provided to shareholders:</p> <table border="0"> <tr> <td data-bbox="485 1341 751 1375"><b>Recipient</b></td><td data-bbox="783 1341 1437 1408">Mr Frank Lieberman (Executive Director) or his nominee(s).</td></tr> <tr> <td data-bbox="485 1424 751 1491"><b>Maximum number of shares to be issued</b></td><td data-bbox="783 1424 1003 1458">2,000,000 Shares.</td></tr> <tr> <td data-bbox="485 1503 557 1536"><b>Price</b></td><td data-bbox="783 1503 1437 1659">The Shares will be issued for nil cash consideration, and accordingly the price of Shares will not be based on the volume weighted average market price or closing market price of Shares. There are no vesting conditions attached to the Shares.</td></tr> <tr> <td data-bbox="485 1675 751 1798"><b>Identity of any previous recipients referred to in Rule 10.14</b></td><td data-bbox="783 1675 1437 2007"> <p>All persons referred to in ASX Listing Rule 10.14 who have received securities under the LTIP since it was approved by shareholders on 15 March 2016 are as follows:</p> <ul style="list-style-type: none"> <li>On 15 April 2016, Mr James Kellett, the Company’s Executive Chairman and CEO, was issued with 5,255,590 performance rights for nil consideration. Each performance right will vest into 1 Share, subject to the achievement of prescribed performance hurdles.</li> </ul> </td></tr> </table>	<b>Recipient</b>	Mr Frank Lieberman (Executive Director) or his nominee(s).	<b>Maximum number of shares to be issued</b>	2,000,000 Shares.	<b>Price</b>	The Shares will be issued for nil cash consideration, and accordingly the price of Shares will not be based on the volume weighted average market price or closing market price of Shares. There are no vesting conditions attached to the Shares.	<b>Identity of any previous recipients referred to in Rule 10.14</b>	<p>All persons referred to in ASX Listing Rule 10.14 who have received securities under the LTIP since it was approved by shareholders on 15 March 2016 are as follows:</p> <ul style="list-style-type: none"> <li>On 15 April 2016, Mr James Kellett, the Company’s Executive Chairman and CEO, was issued with 5,255,590 performance rights for nil consideration. Each performance right will vest into 1 Share, subject to the achievement of prescribed performance hurdles.</li> </ul>
<b>Recipient</b>	Mr Frank Lieberman (Executive Director) or his nominee(s).								
<b>Maximum number of shares to be issued</b>	2,000,000 Shares.								
<b>Price</b>	The Shares will be issued for nil cash consideration, and accordingly the price of Shares will not be based on the volume weighted average market price or closing market price of Shares. There are no vesting conditions attached to the Shares.								
<b>Identity of any previous recipients referred to in Rule 10.14</b>	<p>All persons referred to in ASX Listing Rule 10.14 who have received securities under the LTIP since it was approved by shareholders on 15 March 2016 are as follows:</p> <ul style="list-style-type: none"> <li>On 15 April 2016, Mr James Kellett, the Company’s Executive Chairman and CEO, was issued with 5,255,590 performance rights for nil consideration. Each performance right will vest into 1 Share, subject to the achievement of prescribed performance hurdles.</li> </ul>								

	<ul style="list-style-type: none"> <li>On 15 April 2016. Mr Frank Lieberman (Executive Director) was issued with 2,627,795 performance rights for nil consideration. Each performance right will vest into 1 Share, subject to the achievement of prescribed performance hurdles.</li> <li>On 15 April 2016. Mr Jeffrey Bennett (Non-Executive Director) was issued with 2,627,795 performance rights for nil consideration. Each performance right will vest into 1 Share, subject to the achievement of prescribed performance hurdles.</li> </ul> <p><b>Persons entitled to participate in LTIP</b> The persons referred to in ASX Listing Rule 10.14 entitled to participate in the LTIP are the Directors, James Kellett, Jeffrey Bennett and Frank Lieberman.</p> <p><b>Voting Exclusion</b> A voting exclusion statement applies to this item of business, as set out in the Notice.</p> <p><b>Terms of any loans to acquire the securities</b> No loans are proposed to be advanced in relation to the proposed issue of the LTIP Shares to Mr Lieberman.</p> <p><b>Date for issue of shares</b> Subject to approval, it is proposed that the Shares be issued to Mr Lieberman as soon as is practicable after the Meeting, but in any event no later than 12 months after the date of the Meeting.</p>
<b>Board Recommendation</b>	Mr Lieberman declines to make a recommendation to shareholders in relation to Resolution 4B due to his interest in the outcome of the resolution. The other Directors, who do not have an interest in the outcome of this resolution, recommend that shareholders vote in favour of Resolution 4B.
<b>Chairman's available proxies</b>	The Chairman intends to vote all available proxies in favour of Resolution 4B.

#### Resolution 4C: Approval of issue of Shares to Director in lieu of fees

<b>Explanation</b>	<p>Mr Jeffrey Bennett, a Non-Executive Director of the Company, is currently entitled to receive remuneration of \$42,000.00 per annum for his services as Non-Executive Director.</p> <p>As previously advised to shareholders, in order to preserve the Company's funds, where practicable the Board seeks to make payment of Non-Executive Director fees in Shares instead of cash, subject to obtaining the prior approval of shareholders. This is considered by the Board as an appropriate and responsible measure to reduce the cash burn rate of the Company, and concurrently further aligns the interests of Non-Executive Directors with that of shareholders.</p> <p>During the period from 1 July 2016 and 30 June 2017, the total fees which have accrued and are owing to Mr Bennett is \$46,200.00.</p> <p>The Shares proposed to be issued to Mr Bennett will be issued at a deemed issue price of \$0.0655 per Share, and accordingly the total deemed value of the Shares to be issued to Mr Bennett will be \$46,200.00. The deemed issue price of \$0.0655 has been calculated on the basis of the volume weighted average price (<b>VWAP</b>) of the Company's Shares during the 30-trading day period ending 30 September 2017.</p>
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	<p>If shareholder approval is received for Resolution 4C and the Company issues the Shares the subject of this resolution to Mr Bennett, there will be no outstanding fees owed by the Company to Mr Bennett as at 30 June 2017.</p> <p>The Share issue proposed under Resolution 4C is the result of Mr Bennett agreeing to forego cash payments (\$46,200.00) for part of his normal remuneration, and does not constitute an additional payment to Mr Bennett.</p> <p>An alternative to the issue of the shares to Mr Bennett would be to make full payment of his outstanding fees in cash. Whilst the Board remains mindful of the need to minimise dilution to shareholders, the Board considers that the issue of Shares to Mr Bennett in lieu of fees is an appropriate and responsible cash-free method of reducing corporate overhead expenditure, whilst concurrently aligning the interests of Mr Bennett with that of shareholders.</p> <p>The Shares are to be issued to Mr Bennett or his nominee(s) in lieu of his outstanding fees, and as such the Shares will be issued for nil consideration and no funds will be raised as a result.</p>
<b>Approval not sought under Chapter 2E of the Corporations Act</b>	<p>For the purposes of Chapter 2E, Mr Bennett is a related party of the Company by virtue of section 228(2) of the Corporations Act.</p> <p>A “financial benefit” is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act.</p> <p>The exceptions to the general prohibition are where the benefit is given with the approval of shareholders or the benefit is given in one or more of the limited circumstances in which the giving of a financial benefit to a related party of a public company is permitted.</p> <p>One exception to the general rule is where the benefit constitutes “reasonable remuneration” in respect of the duties and responsibilities of the related party in the management of the public company.</p> <p>In the view of the Board, the Shares to be issued to Mr Bennett in lieu of his foregone cash fees constitute “reasonable remuneration” and, as the provision of such benefits is expressly permitted by section 211(1) of the Corporations Act, the Board does not consider the Company is required to seek shareholder approval under Chapter 2E of the Corporations Act in order to give Mr Bennett the financial benefit that is inherent in the issue to him of the Shares.</p>
<b>ASX Listing Rules</b>	<p>ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities to a related party of the company. As a Director, Mr Bennett is a related party of the Company and accordingly Resolution 4C seeks the shareholder approval required by ASX Listing Rule 10.11 to allow the issue of shares to Mr Bennett.</p> <p>If shareholder approval is given for the purposes of Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the Shares issued pursuant to Resolution 4C will not deplete the Company’s 15% Placement Capacity.</p>
<b>Specific information for Resolution 4C</b>	<p>In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders:</p>

	<p><b>Maximum no. of securities to be issued</b> 705,802 Shares</p> <p><b>Date by which securities will be issued</b> If shareholder approval is obtained for Resolution 4C, the Company will issue the Shares as soon as is practicable after the Meeting, and in any event no later than 1 month after the date of the Meeting.</p> <p><b>Issue price per security</b> The 705,802 Shares will be issued at nil cash consideration, and at a deemed issue price of \$0.0655 per Share, being the VWAP of the Company's Shares during the 30-trading day period ending 30 September 2017.</p> <p><b>Recipient of issue</b> Mr Jeffrey Bennett or his nominee(s).</p> <p><b>Terms of securities</b> The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p><b>Use of funds raised</b> No funds will be raised by the issue of shares to Mr Bennett or his nominee(s), although the Company's liability to Mr Bennett in relation to his Director's fees accrued between 1 July 2016 and 30 June 2017 (\$46,200) will be fully satisfied by the issue of the Shares, thus preserving the Company's cash to that extent.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Board Recommendation</b>	Mr Bennett declines to make a recommendation to shareholders in relation to Resolution 4C due to his interest in the outcome of the resolution. The other Directors, who do not have a material interest in the outcome of this resolution, recommend that shareholders vote in favour of Resolution 4C.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

#### Resolution 4D: Approval of issue of Broker Options

<b>Explanation</b>	<p>Resolution 4D seeks shareholder approval for the issue of 5,000,000 options, each exercisable into a Share on or before 3 May 2018 at an exercise price of \$0.025 (<b>Broker Options</b>), without using the Company's 15% placement capacity under ASX Listing Rule 7.1.</p> <p>The Broker Options are proposed to be issued to Sanlam Private Wealth, the broker which facilitated the Company's June Capital Raising, as part consideration for the capital raising services provided by the broker.</p> <p>The exercise price of the Broker Options (\$0.025) represents a 49% premium to the subscription price of Shares issued under the June Capital Raising (to which the capital raising services relate), and a 28% premium to the closing price of Shares on the ASX on 15 June 2017, the date of the capital raising.</p> <p>If shareholders approve Resolution 4D, the Company will be able to issue the Broker Options without using its 15% Placement Capacity.</p>
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<b>Specific information for Resolution 4D</b>	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <p><b>Maximum no. of securities to be issued</b> 5,000,000 options</p> <p><b>Date by which securities will be issued</b> If shareholder approval is obtained for Resolution 4D, the Company will issue the Broker Options as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.</p> <p><b>Issue price per security</b> The Broker Options will be issued for nil cash consideration.</p> <p><b>Recipient of issue</b> Sanlam Private Wealth or its nominee(s)</p> <p><b>Terms of securities</b> Each Broker Option will entitle its holder to acquire one Share in the Company on the following terms:</p> <ul style="list-style-type: none"> <li>▪ Exercise price: \$0.025</li> <li>▪ Expiry date: 3 May 2018</li> </ul> <p>The Broker Options will not be quoted on the ASX, but the underlying Shares issued upon the exercise of the Broker Options will be quoted and will rank equally with all existing ordinary shares on issue in the Company.</p> <p><b>Use of funds raised</b> The Broker Options are being issued as part consideration for capital raising services provided by Sanlam Private Wealth. No funds will be raised from the issue of the Broker Options as they are being issued for nil cash consideration.</p> <p>In the event that any funds are raised by the exercise of the Broker Options prior to their expiry date, the Company expects that it will apply such funds towards its general working capital requirements.</p>
<b>Voting Exclusion</b>	<p>A voting exclusion statement applies to this resolution, as set out in the Notice.</p>
<b>Board Recommendation</b>	<p>The Directors unanimously recommend that shareholders vote in favour of Resolution 4D.</p>
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 4D.</p>

## 6. Approval of 10% Placement Capacity

Resolution 5: Approval of 10% placement capacity	
<b>General</b>	<p>Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12 month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to shareholder approval, to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue securities under Listing Rule 7.1 (<b>10% Placement Capacity</b>).</p> <p>The Company seeks shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using the Company's 15% placement capacity under ASX Listing Rule 7.1.</p> <p>Resolution 5 is a <b>special resolution</b>. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.</p>
<b>Eligibility</b>	<p>ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&amp;P/ASX 300 Index will be considered eligible to seek shareholder approval under ASX Listing Rule 7.1A. As at the date of this Notice, the Company, which has a market capitalisation of less than \$300 million, is not included in the S&amp;P/ASX 300 Index. Accordingly, the Company is considered eligible to seek shareholder approval under ASX Listing Rule 7.1A.</p>
<b>Formula</b>	<p>The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing Rule 7.1A.2 as follows:</p> $(A \times D) - E$ <p>Where:</p> <p><b>A</b> is the number of shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> <li>plus the number of fully paid shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;</li> <li>plus the number of partly paid shares that became fully paid in the previous 12 months (there are presently no partly paid shares on issue in the Company);</li> <li>plus the number of shares issued in the previous 12 months with approval of shareholders under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; and</li> <li>less the number of shares cancelled in the previous 12 months.</li> </ul> <p><i>'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity</i></p> <p><b>D</b> is 10%.</p> <p><b>E</b> is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.</p>

<b>Conditions of issue under the 10% Placement Capacity</b>	<p>There are a number of conditions applicable to the issue of Equity Securities under ASX Listing Rule 7.1A, including a limitation on the discount to prevailing market price at which they may be issued, and additional disclosure requirements. A summary of these conditions is as follows:</p> <p>(a) Equity Securities issued under the 10% Placement Capacity can only be in a class of securities already quoted. At the date of this Notice, the Company only has one class of securities which are quoted, being ordinary shares.</p> <p>(b) The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the volume weighted average market price (<b>VWAP</b>) for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:</p> <ul style="list-style-type: none"> <li>i. the date on which the price at which the Equity Securities are to be issued is agreed; or</li> <li>ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the securities are issued.</li> </ul>
<b>Period of validity of shareholder approval</b>	<p>In the event that the Company obtains shareholder approval for Resolution 5, such approval will cease to be valid upon the earlier of:</p> <p>(a) 12 months after the date of this Annual General Meeting, being 14 November 2018; or</p> <p>(b) if applicable, the date on which the Company's shareholders approve a change to the nature or scale of the Company's activities under ASX Listing Rule 11.1.2, or the disposal of the Company's main undertaking under ASX Listing Rule 11.2.</p> <p><b>(Placement Period)</b></p>
<b>INFORMATION TO BE PROVIDED TO SHAREHOLDERS UNDER ASX LISTING RULE 7.3A</b>	
<b>Minimum issue price</b>	<p>The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:</p> <ul style="list-style-type: none"> <li>i. the date on which the price at which the Equity Securities are to be issued is agreed; or</li> <li>ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the securities are issued.</li> </ul>
<b>Risk of dilution to shareholders</b>	<p>If Resolution 5 is approved by shareholders, any issue of Equity Securities under the 10% Placement Capacity may present a risk of economic and voting dilution of existing shareholders, including the risk that:</p> <ul style="list-style-type: none"> <li>▪ the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of this Meeting; and</li> <li>▪ 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.</li> </ul> <p>The table below shows the potential dilution of existing shareholders under various scenarios on the basis of:</p>



- an issue price of \$0.053 per share which was the closing price of the Company's shares on the ASX on 10 October 2017; and
- the variable 'A' being calculated as the number of fully paid ordinary shares on issue on the date of this Notice, being 467,417,643.

The table also shows:

- two examples where variable 'A' has increased by 50% and 100%. The number of shares on issue in the Company may increase as a result of the issue of shares that do not require approval of shareholders (for example, pro-rata entitlement issues or scrip issues under takeover offers) or future placements of shares under ASX Listing Rule 7.1 of up to 15% of issued capital that are approved at future general meetings of shareholders; and
- two examples of where the issue price of shares has decreased by 50% and increased by 100%.

VARIABLE 'A'		Dilution		
		50% decrease in issue price \$0.0265	Issue price \$0.053	100% increase in issue price \$0.106
<b>Current Variable 'A'</b> 467,417,643 shares	<b>10% voting dilution</b>	46,741,764 shares	46,741,764 shares	46,741,764 shares
	<b>Funds raised</b>	\$1,238,656.75	\$2,477,313.51	\$4,954,627.02
<b>50% increase in current Variable 'A'</b> 701,126,465 shares	<b>10% voting dilution</b>	70,112,646 shares	70,112,646 shares	70,112,646 shares
	<b>Funds raised</b>	\$1,857,985.13	\$3,715,970.26	\$7,431,940.52
<b>100% increase in current Variable 'A'</b> 934,835,286 shares	<b>10% voting dilution</b>	93,483,529 shares	93,483,529 shares	93,483,529 shares
	<b>Funds raised</b>	\$2,477,313.51	\$4,954,627.02	\$9,909,254.03

The table has been prepared on the following assumptions:

- the Company issues the maximum number of shares available under the 10% Placement Capacity;
- no options to acquire shares on issue in the Company are exercised and no convertible notes on issue are converted;
- the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;
- the table does not show an example of dilution that may be caused to a particular shareholder as a result of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Meeting.
- the table shows only the effect of issues of Equity Securities under the 10% Placement Capacity in accordance with ASX Listing Rule 7.1A and not under the 15% placement capacity under ASX Listing Rule 7.1.
- the issue of Equity Securities under the 10% Placement Capacity consists only of shares.
- the issue price is \$0.053, being the closing price of the Company's shares on the ASX on 10 October 2017.

<b>Period of validity</b>	The Company will only issue and allot the Equity Securities during the 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).														
<b>Reason for issue of shares under 10% Placement Capacity</b>	<p>The Company may seek to issue the Equity Securities for the following purposes:</p> <ul style="list-style-type: none"> <li>(a) non-cash consideration for the acquisition of new assets, businesses or investments, in which event the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or</li> <li>(b) cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, including research and development and commercialisation of the Company's product offerings; marketing activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital.</li> </ul> <p>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.</p>														
<b>Allocation policy</b>	<p>The Company may not issue any or all the Equity Securities for which approval is given and may issue the Equity Securities progressively as the Company places the Equity Securities with investors. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as:</p> <ul style="list-style-type: none"> <li>1. fund raising options (and their viability) available to the Company at the relevant time;</li> <li>2. the effect of the issue of the Equity Securities on the control of the Company;</li> <li>3. the financial situation of the Company and the urgency of the requirement for funds; and</li> <li>4. advice from the Company's corporate, financial, legal and broking advisers.</li> </ul> <p>The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice. It is intended that the allottees will be suitable professional and sophisticated investors, and other investors not requiring a disclosure document under section 708 of the Corporations Act, that are known to the Company and/or introduced by third parties.</p> <p>The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company. In the event that the shares under the 10% Placement Capacity are issued as consideration for the acquisition of businesses, assets or investments, it is likely that the allottees will be the vendors of such businesses, assets or investments.</p>														
<b>Previous approval</b>	<p>The Company previously obtained approval under ASX Listing Rule 7.1A on 15 November 2016. As at 15 November 2016, being the date that is 12 months prior to this Meeting, the Company had the following Equity Securities on issue:</p> <table border="1"> <thead> <tr> <th>Class of Equity Securities</th><th>Number</th></tr> </thead> <tbody> <tr> <td>Fully paid ordinary shares</td><td>298,231,021</td></tr> <tr> <td>Convertible notes</td><td>31</td></tr> <tr> <td>Options expiring 3 May 2018, exercisable at \$0.025</td><td>32,000,143</td></tr> <tr> <td>Options expiring 26 June 2018, exercisable at \$0.045</td><td>15,185,185</td></tr> <tr> <td>Performance rights</td><td>10,511,180</td></tr> <tr> <td><b>TOTAL</b></td><td><b>355,927,560</b></td></tr> </tbody> </table>	Class of Equity Securities	Number	Fully paid ordinary shares	298,231,021	Convertible notes	31	Options expiring 3 May 2018, exercisable at \$0.025	32,000,143	Options expiring 26 June 2018, exercisable at \$0.045	15,185,185	Performance rights	10,511,180	<b>TOTAL</b>	<b>355,927,560</b>
Class of Equity Securities	Number														
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Options expiring 26 June 2018, exercisable at \$0.045	15,185,185														
Performance rights	10,511,180														
<b>TOTAL</b>	<b>355,927,560</b>														

The table below shows the number and type of Equity Securities issued by the Company in the 12 months preceding the Meeting, and the percentage they represent of the total number of Equity Securities on issue at 15 November 2016 (being 355,927,560).

Item	Date of issue	Class of Equity Securities	No. issued	% represented of total number of Equity Securities
1.	03/10/2017	Ordinary shares	175,000	0.05%
2.	26/09/2017	Ordinary shares	1,668,108	0.47%
3.	15/09/2017	Ordinary shares	1,264,286	0.36%
4.	01/09/2017	Ordinary shares	2,314,286	0.65%
5.	04/08/2017	Ordinary shares	3,425,000	0.96%
6.	02/08/2017	Ordinary shares	1,971,429	0.55%
7.	02/08/2017	Ordinary shares	2,500,000	0.70%
8.	02/08/2017	Ordinary shares	77,905	0.02%
9.	02/08/2017	Ordinary shares	2,500,000	0.70%
10.	15/06/2017	Ordinary shares	54,803,103	15.40%
11.	15/06/2017	Ordinary shares	19,020,079	5.34%
12.	15/06/2017	Ordinary shares	31,316,060	8.80%
13.	01/05/2017	Ordinary shares	4,084,322	1.15%
14.	01/05/2017	Ordinary shares	1,237,366	0.35%
15.	01/05/2017	Ordinary shares	4,084,322	1.15%
16.	24/03/2017	Ordinary shares	2,078,846	0.58%
17.	24/03/2017	Ordinary shares	823,688	0.23%
18.	24/03/2017	Ordinary shares	2,078,846	0.58%
19.	24/03/2017	Ordinary shares	2,000,000	0.56%
20.	21/11/2016	Ordinary shares	3,192,548	0.90%
21.	21/11/2016	Ordinary shares	14,285,714	4.01%
22.	21/11/2016	Ordinary shares	14,285,714	4.01%
23.	21/11/2016	Options expiring 21 Nov 2018, exercisable at \$0.025	7,142,857	2.01%
24.	21/11/2016	Options expiring 21 Nov 2018, exercisable at \$0.025	7,142,858	2.01%
25.	21/11/2016	Options expiring 21 Nov 2018, exercisable at \$0.025	11,428,572	3.21%
26.	21/11/2016	Options expiring 21 Nov 2018, exercisable at \$0.025	5,500,000	1.55%
<b>TOTAL</b>			<b>200,400,909</b>	<b>56.30%</b>

	Specific information in relation to each issue is as follows:						
	<b>Item</b>	<b>Reason for issue</b>	<b>Recipient</b>	<b>Use of funds</b>	<b>Issue price per security</b>	<b>Discount/premium to market price</b>	<b>Total cash consideration (\$)</b>
	1.	Exercise of options	Option holders	Working capital	\$0.025	53.70% discount	\$4,375.00
	2.	Exercise of options	Option holders	Working capital	\$0.025	56.90% discount	\$41,702.70
	3.	Exercise of options	Option holders	Working capital	\$0.025	64.29% discount	\$31,607.15
	4.	Exercise of options	Option holders	Working capital	\$0.025	60.94% discount	\$57,857.15
	5.	Exercise of options	Option holders	Working capital	\$0.025	47.92% discount	\$85,625.00
	6.	Exercise of options	Option holders	Working capital	\$0.025	53.70% discount	\$49,285.73
	7.	Issued to Note Holder upon exercise of entitlement to subscribe for shares	Note Holder	Working capital	\$0.020	62.96% discount	\$50,000.00
	8.	Issued to Note Holder in lieu of accrued interest on converted note	Note Holder (as above)	N/A, none raised	\$0.02625 (deemed)	51.39% discount	Nil, interest debt of \$2,045.01 was retired
	9.	Issued to Note Holder upon conversion of convertible notes	Note Holder (as above)	N/A, none raised (subscription price of the notes was \$50,000, which was used for working capital)	\$0.020 (deemed)	62.96% discount	Nil, convertible note debt of \$50,000.00 was retired
	10.	Conversion of convertible notes	Note Holders that participated in the June Capital Raising	N/A, none raised (subscription price of the notes was \$700,000, which was used for working capital)	\$0.01277 (deemed)	29.04% discount	Nil, convertible note debt of \$700,000.00 was retired
	11.	Issued to Note Holders in lieu of accrued interest on converted notes	Note Holders (as above)	N/A, none raised	\$0.01597 (deemed)	11.30% discount	Nil, interest debt of \$303,679.34 was retired
	12.	Issued to Note Holders upon exercise of entitlements to subscribe for shares	Note Holders (as above)	Working capital	\$0.01277	29.04% discount	\$400,000.00
	13.	Conversion of convertible notes	Note Holders	N/A, none raised (subscription price of the notes was \$50,000, which was used for working capital)	\$0.0122 (deemed)	23.49% discount	Nil, convertible note debt of \$50,000.00 was retired

	14.	Issued to Note Holders in lieu of accrued interest on converted notes	Note Holders (as above)	N/A, none raised	\$0.0153 (deemed)	4.38% discount	Nil, interest debt of approx. \$19,000 was retired
	15.	Issued to Note Holders upon exercise of entitlements to subscribe for shares	Note Holders (as above)	Working capital	\$0.0122	23.49% discount	\$50,000.00
	16.	Conversion of convertible notes	Note Holders	N/A, none raised (subscription price of the notes was \$25,000, which was used for working capital)	\$0.012 (deemed)	19.83% discount	Nil, convertible note debt of \$25,000.00 was retired
	17.	Issued to Note Holders in lieu of accrued interest on converted notes	Note Holders (as above)	N/A, none raised	\$0.015 (deemed)	Market price	Nil, interest debt of approx. \$12,400 was retired
	18.	Issued to Note Holders upon exercise of entitlements to subscribe for shares	Note Holders (as above)	Working capital	\$0.012	19.83% discount	\$25,000.00
	19.	Issue of shares under LTIP	LTIP participant	N/A, none raised	N/A	N/A	\$106,000.00 (current cash valuation based on KNM closing ASX price of \$0.053 on 10 October 2017)
	20.	Issued in lieu of accrued Director fees	Jeffrey Bennett	N/A, none raised	\$0.0181 (deemed)	13.15% premium	Nil, outstanding fees of \$57,800.00 owing to the Director were satisfied as a result
	21.	Issued in lieu of loan repayment	James Kellett	N/A, none raised (loan amount of \$200,000, was used for working capital)	\$0.014	12.50% discount	Nil, debt of \$200,000.00 was retired
	22.	Capital raising in Nov 16	Placement subscribers	Repayment of debt	\$0.014	12.50% discount	\$200,000.00
	23.	Issued as free attaching options to loan repayment shares	James Kellett	N/A, none raised	N/A	N/A	N/A
	24.	Issued as free attaching options to Nov 16 capital raising shares	Placement subscribers as per item 22	N/A, none raised	N/A	N/A	N/A
	25.	Issued as free attaching options to capital raising shares issued on 19 October 2016	Subscribers to Oct 16 placement				
	26.	Part consideration for capital raising services for Oct 16 placement	Nominees of brokers to October 16 placement	N/A, none raised	N/A	N/A	N/A

	<p>All Shares issued by the Company in the 12 months preceding the Meeting have the same terms and rank equally in all respects with existing shares in the Company.</p> <p>All options issued during the 12 months preceding the Meeting have an exercise price of \$0.025, and will expire on 21 November 2018. Any Shares issued upon the exercise of options will rank equally with all other shares on issue in the Company.</p> <p>The Company has raised a total of approximately \$995,500 in cash through the issue of Equity Securities during the 12 months preceding the Meeting. The Company has applied the funds in full towards the repayment of debt, research, development and marketing of its products, and its working capital requirements including its corporate and administrative overheads.</p>
<b>Ranking of shares</b>	Any shares issued under the 10% Placement Capacity will rank equally with all other existing shares on issue in the Company.
<b>GENERAL INFORMATION</b>	
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of this resolution.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

## DEFINITIONS

<b>10% Placement Capacity</b>	Means the Company's capacity to issue quoted Equity Securities under ASX Listing Rule 7.1A.
<b>15% Placement Capacity</b>	Means the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1.
<b>Corporations Act</b>	Means the <i>Corporations Act 2001</i> (Cth).
<b>Company or KNeoMedia</b>	Means KNeoMedia Limited ACN 009 221 783.
<b>Closely Related Party</b> (of a member of KMP of an entity)	Has the definition given to it by section 9 of the Corporations Act, and means: a) a spouse or child of the member; or b) a child of the member's spouse; or c) a dependant of the member or of the member's spouse; or d) 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; or e) a company the member controls; or f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).
<b>Equity Security</b>	Means: a) a share; b) a right to a share or option; c) an option over an issued or unissued security; d) a convertible security; e) any security that ASX decides to classify as an equity security.
<b>June Capital Raising</b>	Means the capital raising completed by the Company on 15 June 2017, under which a number of Note Holders converted their convertible notes into Shares, and subscribed for additional new Shares in the Company, as disclosed in the Company's ASX announcement dated 15 June 2017.
<b>Long Term Incentive Plan or LTIP</b>	Means the Company's Long Term Incentive Plan approved by shareholders on 15 March 2016.
<b>Key Management Personnel or KMP</b>	Means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
<b>Note Holder</b>	Means a holder (including a former) of a convertible note on issue in the Company.

-ENDS-

If you are attending the meeting in person, please bring this with you for Securityholder registration.

**[BARCODE]****Holder Number:**

HolderNumber

[Name/Address 1]

[Name/Address 2]

[Name/Address 3]

[Name/Address 4]

[Name/Address 5]

[Name/Address 6]

## Vote by Proxy: KNM

Your proxy voting instruction must be received by **12.30pm (AEDT) on Monday, 13 November 2017**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

## Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



### SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE 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 these 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 Voting Form, including where the Resolutions are 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

**Joint holding:** Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

#### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.






#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



CONTACT	<b>Return your completed form:</b>   <b>BY MAIL</b> Automic Registry Services PO Box 2226 Strawberry Hills NSW 2012   <b>IN PERSON</b> Automic Registry Services Level 3, 50 Holt Street, Surry Hills NSW 2010	<b>Contact us – All enquiries to Automic:</b>   <b>WEBCCHAT</b> <a href="https://automic.com.au/">https://automic.com.au/</a>   <b>EMAIL</b> <a href="mailto:hello@automic.com.au">hello@automic.com.au</a>   <b>PHONE</b> <b>1300 288 664 (Within Australia)</b> <b>+61 2 9698 5414 (Overseas)</b>
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STEP 1: Please appoint a Proxy	<b>Complete and return this form as instructed only if you do not vote online</b> I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of KNeoMedia Limited, to be held at <b>12.30 pm (AEDT) on Wednesday, 15 November 2017 at Baker McKenzie, Level 19, 181 William Street, Melbourne, Victoria 3000</b> hereby:
	<b>Appoint the Chairman of the Meeting (Chair)</b> 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 or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.
	<div style="border: 1px solid black; height: 25px; width: 370px;"></div>
	<b>The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.</b> Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.
	<b>AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS</b> Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4B & 4C (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4B & 4C are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain	
	1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3E Ratification of issue of June 7.1A Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	2 Re-election of Mr Jeffrey Bennett as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4A Approval of issue of Shares to Note Holder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	3A Ratification of issue of March Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4B Approval of issue of LTIP Shares to Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	3B Ratification of issue of June Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4C Approval of issue of Shares to Director in Lieu of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	3C Ratification of issue of August Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4D Approval of issue of Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	3D Ratification of issue of May 7.1A Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of 10% Placement Capacity – (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<i>Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.</i>								

STEP 3: Sign	<b>SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED</b>		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name..... Contact Daytime Telephone..... Date ____ / ____ / ____ Email Address _____ <b>By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).</b>		

