

Notice is given that the Annual General Meeting of Shareholders of Frontier Digital Ventures Limited (**FDV** or the **Company**) will be held as follows:

Date: **Friday 24 May 2019**

Time: **11:00 am (AEST)**

Venue: **Deloitte Australia  
550 Bourke Street  
Melbourne VIC 3000**

## **Business**

### ***Financial statements and reports***

To receive and consider the Company's annual financial report, including the directors' report and the auditor's report for the year ended 31 December 2018.

#### **1. Adoption of Remuneration report**

To consider and, if thought fit, to pass the following resolution as a **non-binding ordinary resolution**:

*"That the Company adopt the remuneration report for the year ended 31 December 2018 in accordance with section 250R(2) of the Corporations Act 2001 (Cth)."*

#### **Notes:**

The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution 1:

- by or on behalf of a member of the Company's Key Management Personnel (KMP) whose remuneration details are disclosed in the remuneration report for the year ended 31 December 2018 or their closely related parties, in any capacity; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their closely related parties.

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

- in accordance with the directions on the proxy form; or
- by the person chairing the Meeting, in accordance with an express authorisation to exercise the proxy even though Resolution 1 is connected with the remuneration of KMP.

The Chairman intends to vote all available undirected proxies in favour of this Resolution 1.

#### **2. Re-election of Mr Mark Licciardo as a Director**

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

*"That Mr Mark Licciardo, who retires by rotation in accordance with the Company's Constitution and, being eligible for re-election, be re-elected as a Director of the Company."*

#### **3. Approval to issue options to Non-Executive Chairman Mr Anthony Klok**

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

*"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Company to issue Mr Anthony Klok or his nominee unlisted options over ordinary shares in accordance with the terms summarised in the Explanatory Memorandum attached."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Mr Anthony Klok, any of his associates, unless the vote is cast:

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

However, the entity need not disregard a vote if:

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

The Chairman intends to vote all available undirected proxies in favour of this Resolution 3.

#### 4. Approval to issue ordinary shares to Non-Executive Director Mr Mark Licciardo

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Company to issue Mr Mark Licciardo or his nominee fully paid ordinary shares in accordance with the terms summarised in the Explanatory Memorandum attached.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Mark Licciardo, any of his associates, unless the vote is cast:

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

However, the entity need not disregard a vote if:

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

The Chairman intends to vote all available undirected proxies in favour of this Resolution 4.

#### 5. Ratification of issue of ordinary shares pursuant to ASX Listing Rule 7.4

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

*“That in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 247,991 fully paid ordinary shares in the capital of the Company, details of which are set out in the Explanatory Memorandum attached.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by Marco Rampazzo, Loh Lim Shen Yi, Chan Shiao Mae, Jason Thoe Chih Chuen and any of their associates, unless the vote is cast:

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

However, the entity need not disregard a vote if:

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

The Chairman will vote all available undirected proxies in favour of this Resolution 5.

## 6. Approval of 10% Placement Facility

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

*“That for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totalling up to 10% of the Company's share capital calculated in accordance with ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by any person who may participate in the proposed issue of equity securities under this Resolution 6 and any person who might obtain a benefit, except a benefit solely in the capacity as a Shareholder. if Resolution 6 is passed, and any of their associates, unless the vote is cast:

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

However, the entity need not disregard a vote if:

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

The Chairman intends to vote all available undirected proxies in favour of this Resolution 6.

**Note:** *In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.*

## 7. Change of Constitution

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

*“That the Constitution of the Company be and is hereby amended by deletion of Clause 7.4b: ‘A quorum is 5 or more members present at the meeting and entitled to vote on a resolution at the meeting.’, and substitution with 7.4b: ‘a quorum is 5 or more members present at the meeting in person or by proxy/corporate representative and entitled to vote on a resolution at the meeting.’*

## 8. Adoption of Employee Share Plan

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

*“That for the purpose of ASX Listing Rule 7.2 (Exception ((b))) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Share Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Memorandum accompanying this notice of Meeting.” .*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors.

However, the entity need not disregard a vote if:

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

The Chairman intends to vote all available undirected proxies in favour of this Resolution 8.

Address (postal deliveries): C/-Computershare Investor Services Pty Limited, GPO Box 242,  
Melbourne VIC 3001. Australia

Fax number for lodgement: (within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

### **Custodian Voting**

Shareholders who are subscribers of Intermediary Online, please submit your votes electronically via [www.intermediaryonline.com](http://www.intermediaryonline.com)

### **Entitlement to vote**

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purposes of the meeting shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 pm (AEST) on Wednesday 22 May 2019. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

### **Voting Intentions**

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In respect of all available undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

### **Questions and Comments by Shareholders at the Meeting**

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting.

Similarly, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions to the Company's external Auditor, Deloitte Touche Tohmatsu, relevant to:

- (a) the conduct of the audit;
- (b) the preparation and contents of the audit;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Deloitte Touche Tohmatsu if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 31 December 2018.

Relevant written questions to Deloitte Touche Tohmatsu must be submitted no later than 5:00pm (AEST) on Thursday 16 May 2019. A list of those questions will be made available to Shareholders attending the meeting. Deloitte Touche Tohmatsu will either answer questions at the meeting or table written answers to them at the meeting. If written answers are tabled at the meeting, they will be made available to Shareholders as soon as practicable after the meeting.

**Please send written questions for Deloitte Touche Tohmatsu to:**

By facsimile - +61 3 9602 4709;

Post to – C/ Mertons Corporate Services Pty Ltd – Level 7, 330 Collins Street, Melbourne VIC 3000

**by no later than 5:00pm (AEST) on Thursday 16 May 2019.**

By order of the Board

A handwritten signature in black ink, appearing to read 'Mark Licciardo', with a stylized flourish extending to the right.

**Mark Licciardo  
Company Secretary**

## **Explanatory Memorandum**

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This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of Frontier Digital Ventures Limited (**FDV** or the **Company**) at the 2019 Annual General Meeting to be held commencing at 11:00 am on Friday 24 May 2019 at Deloitte Australia, 550 Bourke Street, Melbourne VIC 3000

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

### **Financial statements and reports**

Under section 317 of the Corporations Act, FDV is required to lay its annual financial report, directors' report and auditor's report before its Shareholders at its Annual General Meeting. The annual financial report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required. Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the report they wish to discuss. There is no requirement, either in the Corporations Act or the Company's Constitution, for Shareholders to approve the reports.

Representatives of FDV's auditor, Deloitte Touche Tohmatsu, will be present for discussion purposes on matters of relevance to the audit.

Shareholders can access a copy of the annual report on the Company's website at [www.frontierdv.com](http://www.frontierdv.com).

### **Resolution 1 – Adoption of Remuneration report**

Resolution 1 provides Shareholders the opportunity to vote on FDV's remuneration report. The remuneration report is contained in the directors' report. Under section 250R(2) of the Corporations Act, FDV must put the adoption of its remuneration report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or FDV.

The Board will consider the outcome of the vote and comments made by Shareholders on the remuneration report at this meeting when reviewing FDV's remuneration policies. If 25% or more of the votes that are cast are voted against the adoption of the remuneration report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of FDV's directors other than the managing director must be offered up for election.

Key Management Personnel (including Directors) and their closely related parties must not cast a vote on the remuneration report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

FDV encourages all Shareholders to cast their votes on this resolution. The Chairman intends to vote all available undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

**Board recommendation and undirected proxies.** The Board recommends that Shareholders vote in **FAVOUR** of Resolution 1. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 1.

### **Resolution 2 – Re-election of Mr Mark Licciardo**

Pursuant to Clause 8.1 of the Company's Constitution and ASX Listing Rule 14.5 Mr Mark Licciardo will retire and seeks re-election.

Mr Licciardo was appointed to the Board on 4 April 2016.

Mark Licciardo B Bus(Acc), GradDip CSP, FGIA, FCIS, FAICD is the founder and managing director of Mertons Corporate Services. A former company secretary of Top 50 ASX listed companies Transurban Group and Australian Foundation Investment Company Limited, his expertise includes working with boards of directors in the areas of corporate governance, administration and company secretarial. Mark is a Fellow of the Australian Institute of Company Directors, the Institute of Company Secretaries and Administrators and the Governance Institute of Australia. Mark is a current director of ASX listed Mobilicom Ltd as well as a number of other public and private companies. In addition, he is a former Chairman of the Governance Institute of Australia Victoria division, Melbourne Fringe Festival and the Academy of Design (LCI Melbourne).

**Board recommendation and undirected proxies.** The Board recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 2.

### **Resolution 3 - Approval to issue of options to Non-Executive Chairman Mr Anthony Klok**

The Board is recommending that Members approve the grant of a total of 450,000 options over fully paid ordinary shares in the capital of the Company to Mr Anthony Klok.

The proposed grant is in respect of up to 450,000 options to be granted to Mr Anthony Klok within one month of the date of the Annual General Meeting. The 450,000 options are exercisable at an exercise price of \$0.84.

Since Mr Klok is a Director of the Company, ASX Listing Rule 10.11 requires shareholder approval for the proposed grant of options. If shareholder approval is given under Listing Rule 10.11, shareholder approval is not required under Listing Rule 7.1.

The securities will be issued for nil consideration and accordingly no funds will be raised by the grant of options to Mr Klok. However upon exercise of the options the funds subscribed for shares will be employed for working capital.

The terms of the options are as follows:

- The Company will grant Mr Klok or his nominee 450,000 options within one month of the Annual General Meeting if shareholders give their approval to the grant;
- Vesting Period – from the Grant Date to the date that is 4 years from the Grant Date;
- Options Expiry Date – The day following the date that is 4 years from the Grant Date, if not exercised prior to that date;
- The options will vest if Mr Klok is holding the office of a director of the Company and subject to the satisfaction of the Vesting Conditions set out below:
  - Tranche 1: 150,000 will vest subject to the Company's share price achieving a VWAP of \$1.00 or more for 10 continuous trading days during the Vesting Period.
  - Tranche 2: 150,000 will vest subject to the Company's share price achieving a VWAP of \$1.25 or more for 10 continuous trading days during the Vesting Period.
  - Tranche 3: 150,000 will vest subject to the Company's share price achieving a VWAP of \$1.50 or more for 10 continuous trading days during the Vesting Period.

If the above relevant Vesting Conditions are satisfied at any time during the Vesting Period (following determination by the Board) the Options will vest Mr Klok will then be able to exercise the Vested Options at any time from the date the Options vest until the Options Expiry Date, after which time any unexercised Options will lapse.

- The options may not be assigned or transferred;
- The options expire 4 years after the grant date;
- In the event that Mr Klok leaves the Company unexercised options will be forfeited, subject to the Board determining otherwise;
- The options are subject to the ASX Listing Rules relating to capital reorganisation. The rights of an option holder may be changed to comply with the listing rules applying to a reorganisation of capital at the time of the reorganisation; and
- There are no participation rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options without exercising the options.

Notwithstanding that the terms of the options provide for them to be granted within three months of the meeting, ASX Listing Rule 10.13 provides that such securities be granted no later than one month after the date of this meeting.

**Board recommendation and undirected proxies.** The Board recommends that shareholders vote in **FAVOUR** of resolution 3. The Chairman of the meeting intends to vote undirected proxies in **FAVOUR** of resolution 3.

#### **Resolution 4 – Approval to issue ordinary shares to Mr Licciardo**

Mr Licciardo, (the Related Party) executed a Letter of Appointment pursuant to which the Related Party agreed to provide services to the Company as a Non-Executive Director.

In consideration of the appointment, the Company agreed to pay the Related Party (or an entity nominated by them), the annual rate of \$60,000 in shares for the period 1 January 2018 – 31 December 2018.

The Company is seeking shareholder approval for all purposes, including ASX Listing Rules 10.11, for the grant of the relevant fully paid ordinary shares to the Related Party.

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. When an entity issues or agrees to issue securities under ASX Listing Rule 7.1 without shareholder approval, that issue or agreement to issue uses up part of the 15% available under that rule. However, if approval is given under ASX Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1. This means that the fully paid ordinary shares granted to the Related Parties will not use up part of the 15% available under ASX Listing Rule 7.1.

The Board, Mr Licciardo aside, recommends that Members approve the grant of a total of 100,000 fully paid ordinary shares in the capital of the Company to Mark Licciardo.

The proposed grant is in respect of fully paid ordinary shares at a valuation of \$0.60 (being the Volume Weighted Average Price for the period 1 January 2018 to 31 December 2018) per share that are to be issued as the Directors' remuneration, subject to Shareholder approval and priced in line with the agreement with Mr Licciardo.

Remunerating a Director in this manner reduces the cash cost to the Company and aligns the reward to Directors with those of Shareholders. The fully paid ordinary shares will be issued pari passu to existing securities and not subject to a trading lock. The shares will be issued within one month from the date of the Meeting.

**Board recommendation and undirected proxies.** The Board Mr Licciardo aside, recommends that Shareholders vote in **FAVOUR** of Resolution 4. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 4.

### Resolution 5 - Ratification of issue of ordinary shares pursuant to ASX Listing Rule 7.4

ASX Listing Rule 7.1 imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach Listing Rule 7.1. The issues of the shares described below did not breach any Listing Rules and shareholder ratification to those issues is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Members ratify the issue of ordinary shares as detailed below. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

On 14 March 2019 the Company issued 247,991 fully paid ordinary shares in the capital of the Company at an issue price of \$0.60 per share to the following senior employee's as a performance bonus.

Loh Lim Shen Yi	53,947
Chan Shiao Mae	50,811
Jason Thoe Chih Chuen	33,456
Marco Rampazzo	109,777

Remunerating senior employees in this manner reduces the cash cost to the Company and aligns the reward to employees with those to shareholders. The fully paid ordinary shares were issued pari passu to existing securities and not subject to a trading lock.

**Board recommendation and undirected proxies.** The Board recommends that Shareholders vote in **FAVOUR** of Resolution 5. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 5.

### Resolution 6- Approval of 10% Placement Facility

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval by special resolution at its Annual General Meeting to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the Annual General Meeting (10% Placement Capacity). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

If Shareholders approve Resolution 6, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

An eligible entity is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any equity securities issued must be in the same class as an existing class of quoted equity securities. The Company currently has one class of quoted equity securities on issue, being Shares (ASX Code: FDV).

The number of equity securities that the Company may issue under the approval sought by Resolution 15 will be calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A:

$$(A \times D) - E$$

Where:

**A** = the number of fully paid Shares on issue 12 months before the date of issue or agreement to issue:

plus the number of Shares issued in the 12 months under an exception in ASX Listing Rule 7.2;

plus the number of partly paid Shares that became fully paid in the 12 months;

plus the number of fully paid Shares issued in the 12 months with the approval of Shareholders under ASX Listing Rules 7.1 and 7.4; and

less the number of fully paid Shares cancelled in the 12 months.

**D** = 10%.

**E** = 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.

Technical information required by ASX Listing Rule 7.1A

While the Company does not have any immediate plans to issue shares, purposes for which shares may be issued pursuant to Resolution 6 may include the raising of capital to facilitate further investment opportunities.

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

**Minimum Price:** Under the ASX Listing Rules, the minimum price at which the equity securities may be issued is 75% of the volume weighted average price of equity securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

**Risk of voting dilution:** Shareholders should be aware there is a risk of economic and voting dilution that may result from an issue of equity securities under the 10% Placement Capacity, including the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the date of issue.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any equity securities under the issue, unless the only equity securities issued under the 10% Placement Capacity are options and these options are not exercised.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, assuming that any options issued under the 10% Placement Capacity are exercised.

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of the Shares and the current number of Shares on issue as at the date of this notice of Meeting.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula set out above) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.<sup>1</sup>

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$ 0.260 50% decrease in Issue Price	\$ 0.520 Issue Price	\$ 1.040 100% increase in Issue Price
<b>Current Variable A</b> 245,088,353	<b>10% Voting dilution</b>	24,508,835	24,508,835	24,508,835
	<b>Funds raised</b>	\$ 6,372,297	\$ 12,744,594	\$ 25,489,189
<b>50% increase in current Variable A</b> 367,632,530	<b>10% Voting dilution</b>	36,763,253	36,763,253	36,763,253
	<b>Funds raised</b>	\$ 9,558,446	\$ 19,116,892	\$ 38,233,783
<b>100% increase in current Variable A</b> 490,176,706	<b>10% Voting dilution</b>	49,017,671	49,017,671	49,017,671
	<b>Funds raised</b>	\$ 12,744,594	\$ 25,489,189	\$ 50,978,377

<sup>1</sup> The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of shares available under ASX Listing Rule 7.1A;
- (ii) The table shows only the effect of shares issues under ASX Listing Rule 7.1A and does not factor in the Company's ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1;
- (iii) The current issue price is \$0.520, being the closing price of the shares on ASX on 27 March 2019.
- (iv) The current number of shares on issue is the Shares on issue as at 27 March 2019.

The table shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of shares the Company has on issue. The number of shares on issue may increase as a result of issues of shares that do not require approval (for example, a pro rata entitlements issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of shares has decreased by 50% and increased by 100% as against the current market price.

If Shareholder approval is granted for Resolution 6, then that approval will expire on the earlier of:

- (i) 25 May 2020, being 12 months from the date of the Meeting; or
- (ii) the date Shareholder approval is granted to a transaction under ASX Listing Rule 11.1.2 (proposed change to nature and scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

**Purpose of Issue under 10% Placement Capacity:** The Company may issue equity securities under the 10% Placement Capacity for various purposes including the following:

- (i) to raise cash, in which case the Company intends to use funds raised for investment purposes in line with the Company's investment policy outlined in the Company's prospectus or to fund expenditure on existing assets or for general working capital; or
- (ii) as non-cash consideration for investments, and in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

**Allocation under the 10% Placement Capacity:** The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the equity securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

**Previous Approval under ASX Listing Rule 7.1A:** The Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at the 2018 Annual General Meeting held on 25 May 2018.

Information required under ASX Listing Rule 7.3A.6(a): The table below shows the total number of equity securities issued in the past 12 months preceding the date of the Annual General Meeting and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities issued in the prior 12 month period	23,521,287
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	10.61%

Information required under ASX Listing Rule 7.3A.6(b): The below table sets out specific details for each issue of equity securities that has taken place in the 12 month period preceding the date of this AGM.

Date	Holder	Class	# of Shares	\$AUD
25/06/2018	David Baxby FY17 Director remuneration	ORD	69,577	\$42,185
25/06/2018	Mark Licciardo FY17 Director remuneration	ORD	37,051	\$25,206
01/06/2018	Institutional Offer	ORD	17,297,122	\$11,243,129
25/06/2018	Retail Offer (including underwritten portion)	ORD	4,860,546	\$3,159,355
11/07/2018	Jason Thoe Chih Chuen - exercising his rights to shares	ORD	160,000	\$80,000
11/07/2018	Chan Shiao Mae - exercising her rights to shares	ORD	120,000	\$60,000
10/01/2019	Loh Lim Shen Yi - exercise of rights	ORD	600,000	\$300,000
10/01/2019	Marco Rampazzo - exercise of rights	ORD	120,000	\$60,000
11/03/2019	Loh Lim Shen Yi - employee performance bonus	ORD	53,947	\$32,368
11/03/2019	Chan Shiao Mae - employee performance bonus	ORD	50,811	\$30,487

11/03/2019	Jason Thoe Chih Chuen - employee performance bonus	ORD	33,456	\$20,074
11/03/2019	Marco Rampazzo - employee performance bonus	ORD	109,777	\$65,866

No discounts were offered on any of the share issue prices.

The proceeds raised from the Rights Offer will be used by Frontier to participate in funding rounds for its investments and to accelerate monetisation of existing investments.

All other shares issued were non-cash consideration remunerating Directors and Employees.

**Board recommendation and undirected proxies.** The Board recommends that Shareholders vote in **FAVOUR** of Resolution 6. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 6.

#### **Resolution 8- Adoption of Employee Share Plan**

Resolution 8 seeks Shareholders approval for the adoption of the employee incentive scheme titled 'Long Term Incentive Plan (Plan) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

An Employee Rights Plan was initially adopted with the prospectus dated 9 August 2016. Shareholders should note that 2,775,000 Shares have previously been issued under the Employee Rights Plan.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to issue Shares under the Plan (Plan Shares) to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. Additionally, the Plan will continue to be used as part of the remuneration planning for employees who are Eligible Participants under the Plan.

Any future issues of Shares under the Plan to a related party (or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained) will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule A. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary.

**Board recommendation and undirected proxies.** The Board recommends that Shareholders vote in **FAVOUR** of Resolution 8. The Chairman of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 8.

**Glossary**

In this Explanatory Memorandum, and the Notice of Meeting:

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

**Company** means Frontier Digital Ventures Limited.

**Constitution** means the Constitution of the Company.

**Director** means a director of the Company.

**Explanatory Memorandum** means this explanatory memorandum which forms part of the Notice of Meeting.

**ASX Listing Rules** means the listing rules of the ASX Limited.

**Meeting** means the Annual General Meeting of the Company the subject of this Notice of Meeting scheduled to occur on Friday 24 May 2019.

**Shareholder** means a holder of a Share.

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

## Schedule A

# Extract of Frontier Digital Ventures Limited Long Term Incentive Plan

## 5 Terms of the Offer

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This Offer is made on the terms set out in this invitation letter.

### 5.1 Performance Period

Your award under this Offer will be tested based on your annual performance over a twelve month period commencing on 1 January and ending on 31 December of each year from 2019 to 2021 (**Annual Performance Period**).

These dates may change, however you will be given advance notice of any change.

### 5.2 Number of Rights granted

If an Acceptance Form is received no later than **[30 April 2019]**, the Company will, subject to the conditions set out below, grant you shares up to a maximum of 20% of your annual gross salary (**Basic**), which consists of base salary and allowances.

For each Annual Performance Period, running from 1 January to 31 December, the number of Rights (**Annual LTI Rights**) to be granted to you will be determined by measuring

- Achievement of key performance indicators, as determined for the purposes of short term incentives for that Annual Performance Period, which will vary from year to year and will be communicated to you. Such achievement to be assessed in percentage terms;
- Your Basic measured in Australian Dollars for the Annual Performance Period, calculated by dividing your Basic in Ringgit Malaysia by the average foreign exchange rate for the corresponding period;
- The share price at Volume Weighted Average Price (VWAP) for the Annual Performance Period.

Annual LTI Rights will be granted to you shortly after 31 December of each Annual Performance Period.

Rights will only be granted to you under this Offer if you are still an employee of the Group at the date the Rights are granted. Rights will be granted to you free of charge. No exercise price is payable in respect of the Rights. Rights may only be granted in your name and are not transferrable. The number of Rights you are granted may be adjusted in certain circumstances as set out in this letter.

Rights do not carry any dividend or voting rights prior to Vesting.

Shortly after the Rights are granted to you, you will be sent a holding statement confirming the details of the Rights that you have been granted.

### 5.3 Vesting Conditions

The Rights granted to you under this Offer will Vest subject to the satisfaction of the Vesting Conditions described below.

- **Tranche 1 for Annual Performance Period from 1 January to 31 December 2019**

- 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2019.
- 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2020.
- 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2021.
- **Tranche 2 for Annual Performance Period from 1 January to 31 December 2020**
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2020.
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2021.
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2022.
- **Tranche 3 for Annual Performance Period from 1 January to 31 December 2021**
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2021.
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2022.
  - 33.33% of Annual LTI Rights will vest if you remain employed with the Group until 31 December 2023.

## 5.4 Testing the Vesting Conditions

Testing of the Vesting Condition for each Tranche will occur as set out below.

- **Tranche 1:** shortly after 31 December 2019.
- **Tranche 2:** shortly after 31 December 2020.
- **Tranche 3:** shortly after 31 December 2021.

Any Rights that remain unvested will lapse immediately.

Where possible, Vesting will be timed to coincide with a trading window under the Company's Policy for Dealing in Securities.

## 5.5 Allocation of Shares following Vesting of Rights

On Vesting, the Rights will be automatically exercised and Shares will be allocated to you shortly after. In general, you will be allocated one Share for each Right that Vests in accordance with this Offer. Where possible, allocation of Shares will be timed to coincide with a trading window under the Company's Policy for Dealing in Securities.

You are not required to pay any amount or take any action to effect the allocation of Shares upon Vesting of your Rights. You will be provided with details of any Shares that have been allocated to you in respect of your Rights.

## 5.6 Lapse of Rights

Unless the Board determines otherwise, your Rights will lapse on the earliest to occur of any of the following:

- the date Rights are forfeited in accordance with section 5.8 of this letter;
- the date the Board determines that any or all of the Vesting Conditions will not or cannot be satisfied for any reason; or

- the date the Company commences to be wound up.

## **5.7 Cessation of employment**

### **Termination for cause or due to resignation**

If you resign from employment with the Group or your employment with the Group is terminated because you:

- engage in serious or wilful misconduct;
- are seriously negligent in the performance of your duties;
- commit a serious breach of your employment contract;
- commit an act, whether at work or otherwise, which brings the Company or a Group company into disrepute; or
- are convicted of an offence punishable by imprisonment,

all of your unvested Rights will lapse unless the Board determines otherwise.

### **Cessation for other reasons**

If you cease employment for any other reason, unless the Board determines otherwise, a pro rata portion of your unvested Rights (calculated by reference to the portion of the Performance Period that has elapsed up to the date of your cessation) will remain on foot subject to the original Vesting Condition, and will Vest in the normal course, as though you had not ceased employment. The remainder of your Rights will automatically lapse.

You will be notified of the Board's decision, and the impact on your Rights, shortly after you cease employment.

## **5.8 Preventing inappropriate benefits**

This offer is made subject to the Forfeiture Conditions in Appendix I and the other forfeiture conditions specified in this invitation letter.

In general terms, if the Board determines that you:

- have acted unlawfully, fraudulently or dishonestly;
- are in serious breach of your obligations in relation to the affairs of a Group Company;
- have committed any act of fraud, defalcation, gross misconduct;
- have acted in a manner which brings the Company, the Group or any Group Company into disrepute;
- have been convicted or have had judgment entered against you in connection with the Group's affairs; or
- have engaged in behaviour that may impact on the Group's financial soundness or require re-statement of the Group's financial accounts,

then:

- your unvested Rights will lapse;
- Shares allocated to you upon Vesting of your Rights will be forfeited;
- all or part of any proceeds from the sale of Shares you received on the Vesting of your Rights must be paid to the Company as a debt; and
- you will not be entitled to any proceeds under clause 1.7 of Appendix I.

You should refer to Appendix I for further details.

## **5.9 Change of Control**

In the event of a takeover bid or other transaction, event or state of affairs that in the Board's opinion is likely to result in a Change of Control of the Company, the Board has a discretion to determine that Vesting of some or all of your Rights should be accelerated. Where only some of the Rights are Vested, the remainder will immediately lapse.

For the purposes of this Offer, if an actual Change of Control occurs before the Board has exercised this discretion:

- a pro rata portion of your Rights will Vest, calculated based on the portion of the relevant Performance Period that has elapsed up to the date of the actual Change of Control; and
- the Board retains a discretion to determine whether the remaining unvested Rights will Vest or lapse.

## **5.10 Rights issues and bonus issues**

You cannot participate in new issues of securities by the Company prior to the Vesting of your Rights.

## **5.11 Waiver of terms and conditions**

Notwithstanding any other provisions of this Offer or the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any vesting condition or restriction on dealing) in relation to any Rights or Shares granted to you.

## **5.12 Dispute or disagreement**

In the event of any dispute, disagreement or uncertainty as to the interpretation of this Offer, or any question or right arising from or related to this Offer or to any Rights or Shares granted under this Offer, the decision of the Board is final and binding.

# **6 Restrictions on Dealing**

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## **6.1 Rights**

Rights cannot be sold, transferred, encumbered or dealt with under any circumstances unless otherwise permitted by the Board.

If you purport to deal with your Rights in contravention of this letter of offer, your Rights will immediately lapse.

## **6.2 Shares**

You will be free to sell, transfer, encumber or otherwise deal with a Share allocated to you on Vesting of your Rights, subject to the requirements of the Company's Policy for Dealing in Securities.

A copy of the Policy is available on the ASX website at [www.asx.com.au](http://www.asx.com.au). You should review the Policy carefully and you must comply with it.



## Lodge your vote:



### Online:

[www.investorvote.com.au](http://www.investorvote.com.au)



### By Mail:

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

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

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

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

FDV

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

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

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



**For your vote to be effective it must be received by 11:00am (AEST) Wednesday 22 May 2019**

## How to Vote on Items of Business

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

### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

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

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

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

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

## Attending the Meeting

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

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

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

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



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



I 9999999999

IND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

#### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Frontier Digital Ventures Limited hereby appoint

☐

the Chairman  
of the Meeting OR



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Frontier Digital Ventures Limited to be held at Deloitte Australia, 550 Bourke Street, Melbourne VIC 3000 on Friday, 24 May 2019 at 11:00am (AEST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 3 & 4 (except where I/we have indicated a different voting intention below) even though Items 1, 3 & 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 3 & 4 by marking the appropriate box in step 2 below.

### STEP 2

#### Items of Business



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

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Mark Licciardo as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue options to Non-Executive Chairman Mr Anthony Klok	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue ordinary shares to Non-Executive Director Mr Mark Licciardo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of issue of ordinary shares pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Change of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Adoption of Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

### SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_ / /

Date

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Computershare +