

**My ATM Holdings Limited
ACN 141 509 426**

NOTICE OF GENERAL MEETING

and

EXPLANATORY STATEMENT

and

INDEPENDENT EXPERT'S REPORT

and

PROXY FORM

**General Meeting to be held at Trident Capital, Level 24, 44 St Georges Terrace, Perth,
Western Australia on 17 September 2014 commencing at 10.30am (WST).**

The Independent Expert reporting on the Proposed Transaction concludes that the acquisitions are FAIR AND REASONABLE to the non-associated Shareholders of the Company.

This Notice of General Meeting and Explanatory Statement should be read in its entirety.
If Shareholders are in doubt as to how to vote, they should seek advice from their
accountant, solicitor or other professional adviser without delay.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of My ATM Holdings Limited (**Company**) will be held at Trident Capital, Level 24, 44 St Georges Terrace, Perth, Western Australia on 17 September 2014, commencing at 10.30am (WST).

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

SPECIAL BUSINESS

Resolution 1 – Capital Consolidation

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to Resolutions 2 to 11(b) (inclusive) being passed, in accordance with section 254H of the Corporations Act and the Constitution, and for all other purposes, approval be and is hereby given that the Existing Shares in the Company shall be consolidated on a 1 for 4 basis, with any fractional entitlements being rounded up to the nearest whole share. The consolidation of the Existing Shares will occur 6 Business Days from the date of the General Meeting at which this Resolution is passed.”

Resolution 2 – Change in nature and scale of activities of the Company

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to Resolutions 1 and 3(a) to 11(b) (inclusive) being passed and in accordance with Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the nature and scale of its activities as set out in the Explanatory Statement.”

Resolutions 3(a) and 3(b) – Issue of consideration to Related iWG Vendors and Unrelated iWG Vendors

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

- (a) *“That, subject to Resolutions 1 and 2 and 3(b) to 11(b) (inclusive) being passed and in accordance with item 7 of section 611 and section 208 of the Corporations Act and for all other purposes, approval be and is hereby given to the issue of 118,014,445 New Shares to the “Related iWG Vendors” (as that term is defined in the Explanatory Statement), under the Prospectus, as part consideration for the Company acquiring 100% of the issued capital of iWebGate Technology Limited, and for the acquisition by the Related iWG Vendors of a Relevant Interest (details of which are set out in Annexure 1 to the Explanatory Statement) in the New Shares to be issued to them as contemplated by this Resolution 3(a), further details of which are contained in the Explanatory Statement.”*

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

- (b) *“That, subject to Resolutions 1 to 3(a) and 4 to 11(b) (inclusive) being passed and in accordance with item 7 of section 611 of the Corporations Act and for all other purposes, approval be and is hereby given to the issue of 347,958,471 New Shares to the “Unrelated iWG Vendors” (as that term is defined in the Explanatory Statement), under the Prospectus, as part consideration for the Company acquiring 100% of the issued capital of iWebGate Technology Limited, and for the acquisition by the Unrelated iWG Vendors of a Relevant Interest (details of which are set out in Annexure 1 to the Explanatory Statement) in the New Shares to be issued to them as contemplated by this Resolution 3(b), further details of which are contained in the Explanatory Statement.”*

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

Resolution 4 – Issue of New Shares pursuant to the Capital Raising

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to Resolutions 1 to 3(b) (inclusive) and 5 to 11(b) (inclusive) being passed and in accordance with Listing Rule 7.1, and for all other purposes, approval be and is hereby given to the issue of up to 37,500,000 New Shares to raise \$15,000,000, with a minimum subscription of at least 12,500,000 New Shares to raise at least \$5,000,000 under the Prospectus, and with provision to accept oversubscriptions of up to 50,000,000 New Shares to raise up to \$20,000,000, further details of which are contained in the Explanatory Statement.”

Resolution 5 – Right to apply under the Prospectus by Existing Directors

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolutions 1 to 4 (inclusive) and 6(a) to 11(b) (inclusive), and in accordance with Listing Rule 10.11, and sections 195(4) and 208 of the Corporations Act and for all other purposes approval is given for the Company to issue to the Existing Directors (and/or nominees) up to 1,500,000 New Shares out of the New Shares that may be issued as detailed in Resolution 4 on the terms set out in the Explanatory Statement.”

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

Resolutions 6(a) and 6(b) – Issue of Facilitation Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolutions as an **ordinary resolutions**:

- (a) *“That, subject to Resolutions 1 to 5 (inclusive) and Resolutions 6(b) to 11(b) (inclusive) being passed, and in accordance with Listing Rule 10.11 and sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the issue of 2,500,000 Facilitation Shares to Trident Capital Pty Ltd (and/or its nominees) under the Prospectus, further details of which are contained in the Explanatory Statement.”*

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

- (b) *“That, subject to Resolutions 1 to 6(a) (inclusive) and Resolutions 7 to 11(b) (inclusive) being passed, and in accordance with Listing Rule 7.1 and for all other purposes, approval is given for the issue of 2,500,000 Facilitation Shares to SCM Equities Pty Ltd (and/or nominees) under the Prospectus, further details of which are contained in the Explanatory Statement.”*

Resolution 7 – Change of Company Name

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

“That subject to the passing of Resolutions 1 to 6(b) (inclusive) and Resolutions 8(a) to 11(b) in accordance with section 157(1) of the Corporations Act, and for all other purposes, the Company change its name from “My ATM Holdings Limited” to “iWebGate Limited.”

Resolutions 8(a) and 8(b) – Appointment of Proposed Directors

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

- (a) *“That subject to Resolutions 1 to 7 (inclusive) and 8(b) to 11(b) (inclusive) being passed and in accordance with rule 57.3 of the Constitution and for all other purposes Mr Timothy Gooch having provided conditional consent to act and be appointed as a director of the Company on completion of the acquisition of iWebGate Technology Limited be elected as a director of the Company”.*
- (b) *“That subject to Resolutions 1 to 8(a) (inclusive) and 9 to 11(b) (inclusive) being passed and in accordance with rule 57.3 of the Constitution and for all other purposes Mr Mark Harrell having provided conditional consent to act and be appointed as a director of the Company on completion of the acquisition of iWebGate Technology Limited be elected as a director of the Company”.*

Resolution 9 – Approval of iWebGate Limited Employee Incentive Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to Resolutions 1 to 8(b) (inclusive) and 10(a) to 11(b) (inclusive) being passed, that for the purposes of Exception 9 of Listing Rule 7.2, paragraph (b) of the definition of ‘employee share scheme buy-back’ in section 9 of the Corporations Act and sections 259B and 260C(4) of the Corporations Act, and for all other purposes, approval is given for the iWebGate Limited Employee Incentive Plan, the terms which are summarised in the Explanatory Statement, and to issue equity securities under the iWebGate Limited Employee Incentive Plan during the 3 years following the date of the General Meeting at which this Resolution is passed”.

Resolutions 10(a) and 10(b) – Approval of Issue of Incentive Options to Proposed Directors under the iWebGate Limited Employee Incentive Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as **ordinary resolutions**:

- (a) *“That, subject to Resolutions 1 to 9 (inclusive) and 10(b) to 11(b) inclusive being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, and in accordance with the Plan,*

approval is given for the granting of 1,750,000 Incentive Options to Mr Timothy Gooch, a proposed director of the Company, further details of which are described in the Explanatory Statement”.

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

- (b) *“That, subject to Resolutions 1 to 9 (inclusive), 10(a) and 11(a) to 11(b) inclusive being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, and in accordance with the Plan, approval is given for the granting of 1,500,000 Incentive Options to Mr Mark Harrell, a proposed director of the Company, further details of which are described in the Explanatory Statement.”*

Shareholders should note that if this Resolution is passed, the approval of Shareholders is not required under Listing Rule 7.1.

Resolutions 11(a) and 11(b) – Approval to give a financial benefit by way of loan to the Proposed Directors under the iWebGate Limited Employee Incentive Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolutions as **ordinary resolutions**:

- (a) *“That, subject to Resolutions 1 to 10(b) (inclusive) and 11(b) being passed, for the purposes of section 208 of the Corporations Act and for all other purposes, approval is given to granting to Mr Timothy Gooch, a proposed director of the Company, a financial benefit by way of loan to assist him to exercise any Incentive Options held by him, such loan to be in accordance with the terms of the Plan, and otherwise on the terms and conditions set out in the Explanatory Statement”.*
- (b) *That, subject to Resolutions 1 to 11(a) being passed, for the purposes of section 208 of the Corporations Act and for all other purposes, approval is given to granting to Mr Mark Harrell, a proposed director of the Company, a financial benefit by way of loan to assist him to exercise any Incentive Options held by him, such loan to be in accordance with the terms of the Plan, and otherwise on the terms and conditions set out in the Explanatory Statement”.*

Voting Exclusion Statement

The following voting exclusion statement applies to the Resolutions under the Listing Rules or where applicable, the provisions of the Corporations Act in relation to the following persons (**Excluded Persons**). The Company will disregard any votes on the following Resolutions cast by the following Excluded Persons:

Resolution No.	Title	Excluded Persons
2	Change in nature and scale of activities of the Company	Any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any Associate of that person.
3(a)	Issue of consideration to the Related iWG Vendors	The Related iWG Vendors and any of their Associates.
3(b)	Issue of consideration to the Unrelated iWG Vendors	The Unrelated iWG Vendors and any of their Associates.
4	Issue of New Shares pursuant to the Capital Raising	Any person who may participate in the proposed issue and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the Resolution is passed, and any Associate of that person.
5	Right to apply under a Prospectus by Existing Directors	The Existing Directors and/or any of their nominees, and any of their Associates.
6(a)	Issue of Facilitation Shares	Trident Capital Pty Ltd and/or its nominees, and any of its Associates.
6(b)	Issue of Facilitation Shares	SCM Equities Pty Ltd and/or its nominees, and any of its Associates.
9	Approval of iWebGate Limited Employee Incentive Plan	The Proposed Directors and any of their Associates.
10(a)	Approval of issue of Incentive Options to Timothy Gooch under iWebGate Limited Employee Incentive Plan	The Proposed Directors and any of their Associates.
10(b)	Approval of issue of Incentive Options to Mark Harrell under iWebGate Limited Employee Incentive Plan	The Proposed Directors and any of their Associates.
11(a)	Approval to give a financial benefit by way of loan to Timothy Gooch under the	The Proposed Directors and any of their Associates.

	iWebGate Limited Employee Incentive Plan	
11(b)	Approval to give a financial benefit by way of loan to Mark Harrell under the iWebGate Limited Employee Incentive Plan	The Proposed Directors and any of their Associates.

However, the Company need not disregard a vote if:

- (a) 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
- (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.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of General Meeting and should be read in conjunction with it.

Resolutions 1 to 11(b) (inclusive) are subject to and conditional on each of those resolutions being passed. Accordingly, the Resolutions should be considered collectively as well as individually.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of General Meeting and the Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5.00pm (WST) on 15 September 2014. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

By Order of the Board of Directors



.....
Adam Sierakowski

Chairman

My ATM Holdings Limited

13 August 2014

EXPLANATORY STATEMENT TO SHAREHOLDERS

**Proposals for the acquisition of all of the shares in
iWebGate Technology Limited,
and the raising of funds via a prospectus
by My ATM Holdings Limited ACN 141 509 426**

IMPORTANT NOTICE

Shareholders should read this Explanatory Statement and the accompanying Independent Expert's Report in full and if they have any questions, obtain professional advice before making any decisions in relation to the Resolutions to be put to Shareholders at the General Meeting.

This Explanatory Statement includes information and statements that are both historical and forward-looking. To the extent that any statements relate to future matters, Shareholders should consider that they are subject to risks and uncertainties. Those risks and uncertainties include factors and risks specific to the initial commercialisation of intellectual property as well as matters such as general economic conditions. Actual events or results may differ materially. None of the Company, its Existing Directors, the Proposed Directors or their advisors can assure Shareholders that forecasts or implied results will be achieved.

Contents

1.	INTRODUCTION	3
2.	PROPOSED TRANSACTION	4
3.	GENERAL MEETING	36
4.	OTHER INFORMATION.....	56
5.	REGULATORY REQUIREMENTS.....	58
6.	GLOSSARY.....	64
	ANNEXURE 1 – IWG VENDORS	67
	ANNEXURE 2 – INDEPENDENT EXPERT’S REPORT	69
	ANNEXURE 3 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS.....	112
	ANNEXURE 4 – IWEBGATE LIMITED EMPLOYEE INCENTIVE PLAN	114
	PROXY FORM	149

EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of My ATM Holdings Limited in connection with Resolutions 1 to 11(b) to be considered at the General Meeting of members to be held at Trident Capital, Level 24, 44 St Georges Terrace, Perth, Western Australia on 17 September 2014 at 10.30am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting.

This Explanatory Statement includes information and statements that are both historical and forward-looking. To the extent that any statements relate to future matters, Shareholders should consider that they are subject to risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries as well as matters such as general economic conditions. Actual events and results may differ materially. None of the Company, the Directors, or their advisors can assure Shareholders that forecast or implied results will be achieved.

References to “\$”, “AUD”, “dollars” and “cents” in this Explanatory Statement are references to Australian currency unless otherwise stated.

References to “US\$”, “USD” in this Explanatory Statement are references to the currency of the United States of America unless otherwise stated.

References to time in this Explanatory Statement relate to the time in Perth, Western Australia.

Capitalised terms which are not otherwise defined in this Explanatory Statement have the meanings given to those terms in the Glossary at section 6 of this Explanatory Statement.

2. PROPOSED TRANSACTION

2.1 Overview of recent Company events

The Company currently operates its business of renting automatic teller machines (**ATMs**) from ATM owners and installing and maintaining these ATMs in small to medium enterprises in both urban and remote locations across Australia.

On 17 April 2014, the Company entered into the Sale and Purchase Agreement. Pursuant to this agreement, the Company agreed to acquire all of the issued share capital of iWebGate on the terms and conditions summarised in section 2.3.

iWebgate is an unlisted company which has developed patented software that increases the security and functionality for the transfer of information. Its software is next generation, award winning security which significantly reduces the costs, complexity and risk of making network services available externally. iWebgate is looking to significantly increase the commercialisation of its products via engaging strategic channel partners and key customers plus increasing its marketing activities.

It should be noted that the business of iWebGate is yet to be fully commercialised and the bulk of its revenues to-date have been as a result of equity raisings or grants of funds. Further, iWebGate's efforts in the past have been significantly focused towards the research and development of its product. Therefore, there is a certain amount of uncertainty in relation to the business of iWebGate in light of its limited financial history. iWebGate has also not complied with its financial reporting obligations having failed to lodge audited accounts for the financial years ended 30 June 2007 to 30 June 2013 (inclusive). Technically, this failure to lodge the financial reports means that iWebGate is in breach of its financial reporting requirements under Chapter 2M of the Corporations Act.

The Company intends to focus on the iWebGate business described in Sections 2.4 to 2.7 should the Proposed Transaction proceed. Further, since reinstatement to quotation on ASX on 21 June 2013, the Company has conducted a review of opportunities to make ATMs more competitive in the market in which they operate. One of the major opportunities identified was the securitisation, speed and reliability of data transfer between ATMs and financial institutions. The Company believes that there is significant potential for the iWebGate technology to be integrated into ATM networking and information sharing given current security limitations, particularly with implementation of cloud computing platforms. These opportunities will be considered by the Company moving forward.

2.2 Existing Director's profiles

Adam Sierakowski

Mr Sierakowski is a lawyer and director of the legal firm Price Sierakowski. He has over 18 years of experience in legal practice, much of which he spent as a corporate lawyer consulting and advising on a range of transactions to a variety of large private and listed public entities.

Mr Sierakowski is a director of Trident Management Services Pty Ltd and Trident Capital Pty Ltd.

Mr Sierakowski is currently a director of ASX listed companies Kinetiko Energy Limited (Non Executive Director) and Coziron Resources Limited (Non Executive

Chairman). He was previously a director of Carnavale Resources Limited (Non Executive Chairman), Triangle Energy Limited (Non Executive Director) and Stirling Biofuels International Limited. He is a member of the Australian Institute of Company Directors and the Association of Mining Exploration Companies.

KC Dennis Ong

Mr Ong is a director of Trident Management Services Pty Ltd.

He is an alumni from Deakin University, Victoria, holding a Bachelor of Commerce degree and is Certified Practicing Accountant. Mr Ong has over 25 years of diverse experience in financial management and business advisory to corporations in Australia and South-East Asia.

Mr Ong is currently a director of ASX listed companies Reclaim Industries Limited (Non Executive Director), Cell Aquaculture Limited (Non Executive Director) and Windimurra Vanadium Limited (Non Executive Director).

Mr Ong will resign following the appointment of the Proposed Directors.

Richard Wolanski

Mr Wolanski is a Chartered Accountant and his qualifications include a Bachelor of Commerce from the University of Western Australia. Mr Wolanski has extensive professional experience in both Australian and international finance industries. He has provided corporate, strategic and financial advisory assistance to public companies in Australia, Singapore and the United Kingdom.

Mr Wolanski is currently domiciled in Singapore in his current role as Finance Director of Avation Plc (LSE: AVAP). Mr Wolanski has significant corporate experience during his career serving in a range of Executive Director, Chief Financial Officer and Company Secretary roles.

Mr Wolanski will resign following the appointment of the Proposed Directors.

2.3 *Sale and Purchase Agreement, and loan agreements with iWebGate*

Set out below are summaries of the Sale and Purchase Agreement and the loan agreements between the Company and iWebGate:

Sale and Purchase Agreement

The Company and the iWG Founding Vendors entered into the Sale and Purchase Agreement on 17 April 2014. Subject to various conditions, the Company agreed to purchase 100% of the ordinary shares in iWebGate, and the iWG Founding Vendors agreed to sell all of their ordinary shares in iWebGate to the Company, and to use their best endeavours to arrange for the sale of the remaining shares in iWebGate to the Company. The Sale and Purchase Agreement was varied by agreement dated 10 July 2014.

Completion of the sale and purchase of 100% of the ordinary shares in iWebGate pursuant to the Sale and Purchase Agreement is due to occur 5 business days following the satisfaction or waiver the latest condition to be satisfied or waived. The conditions to be satisfied or waived are:

- (a) The Company being satisfied with its due diligence enquiries in respect of iWebGate.
- (b) The Company obtaining all required regulatory and Shareholder approvals.
- (c) iWebGate obtaining all required regulatory and shareholder approvals.
- (d) The iWG Founding Vendors using the drag-along procedure in the iWG Shareholders' Deed to require all remaining iWG Vendors to sell their ordinary shares in iWG to the Company.
- (e) The Company completing the capital raising of at least \$5,000,000, as contemplated by Resolution 4.
- (f) As the Company is required by ASX to re-comply with Chapters 1 and 2 of the Listing Rules, ASX providing the Company with a list of conditions reasonably acceptable to the iWG Founding Vendors and the Company which, when satisfied, will result in ASX reinstating the Shares to quotation on ASX.

The Company must use all reasonable endeavours to procure the satisfaction of conditions (a), (b), (e) and (f) above. The iWG Founding Vendors must use all reasonable endeavours to procure the satisfaction of conditions (c) and (d) above.

The Sale and Purchase Agreement may be terminated in the following circumstances:

- (a) By any party upon 2 business days' notice where a condition has not been satisfied or waived, or where the other party has given notice that a condition cannot be satisfied, by 31 December 2014 (or such later date as agreed by the iWG Founding Vendors and the Company) and the terminating party complied with its obligations to use all reasonable endeavours to procure the satisfaction of certain conditions (as specified above).
- (b) By any party prior to completion of the agreement, in circumstances where the other party fails to comply with its material obligations under the agreement, or commits a material breach of its warranties prior to completion under the agreement, and the breach is not remedied within 10 business days or the non-defaulting party's notice of the breach being given to the defaulting party.

At completion of the agreement, the Company has agreed (subject to the passing of the Resolutions by Shareholders) to issue New Shares to the iWG Vendors, Trident and SCM in accordance with Resolutions 3, 6(a) and 6(b). Further, under the Sale and Purchase Agreement the Company must pay an amount of \$865,694 to Talks One Pty Ltd as trustee for the Gooch Family Trust in repayment of an outstanding loan owed by iWebGate to Talks One Pty Ltd as trustee for the Gooch Family Trust (for further information see section 2.8(c)). Mr Timothy Gooch (who is a Proposed Director) is a director of Talks One Pty Ltd and a beneficiary of the Gooch Family Trust. In addition, following the appointment of the Proposed Directors to the Board, it is proposed that Messrs Ong and Wolanski will resign as Directors.

The Sale and Purchase Agreement contains additional provisions, including warranties and indemnities in respect of the status of iWebGate and the Company, which are considered standard for agreements of this kind.

Loan agreements with iWebGate

In addition to the Sale and Purchase Agreement, the Company has entered into 3 loan agreements with iWebGate whereby it has agreed to lend a total of up to \$2,600,000 to iWebGate on normal commercial terms. However, Shareholders should be aware that if the Proposed Transaction is completed, iWebGate will be a subsidiary of the Company and these loans will not be repayable by iWebGate to the Company.

2.4 Overview of iWebGate

iWebGate is an unlisted company with 32 shareholders, and is the holder of certain intellectual property rights as described in section 2.7.

iWebGate was founded in 2004 to provide networking and internet security systems and to produce an affordable and scalable solution to simplify and secure remote access and file transfer for clients. iWebGate frequently dealt with an array of customer frustrations and issues that enabled the founders to identify a significant global problem - the current way of connecting to the Internet is based on old architecture that doesn't adopt principles we use in our physical world to protect valuable assets.

iWebGate engaged in extensive research and development (R&D) activities between 2005 and 2013. This included sales and support services to early adopting customers who provided valuable feedback during the R&D phase of the business. iWebGate conducted significant market research and technical development working with a core group of pilot clients to achieve a significant step forward with its technology platform and further access market needs. iWebGate has developed an innovative means of securely networking computers whilst simultaneously enhancing network connectivity capabilities. iWebGate's products re-purpose the use of firewalls, and represent a significant advancement for virtualisation technology – the virtualisation of network services.

iWebGate's product is available and ready for use by small, medium and large organisations, as it can be adapted for use in various commercial contexts. The product is currently being sold and is generating revenues in Australia.

iWebGate has been funded to date from private investment and Australian Government Research & Development funding, Commercialisation Australia funding, and Export Market & Development Grant funding.

iWebGate is looking to significantly increase the commercialisation of its product via engaging strategic channel partners and key customers plus increasing its marketing activities. iWebGate's objective is to create a scalable sales and distribution framework to commercialise its products. This will provide iWebGate with the commercial foundation to achieve its vision of becoming a worldwide leader in computer networking technology.

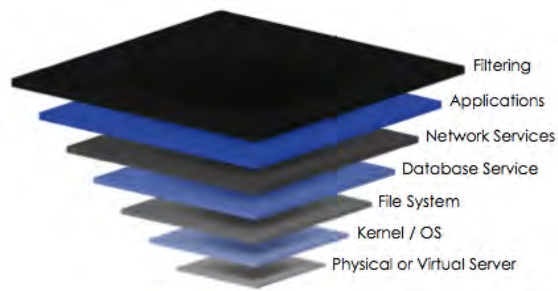
iWebgate's intellectual property for its product is described in section 2.7.

2.5 Overview of iWebGate's products

iWebGate has created a **software** product called a Virtual Services Platform (**VSP**).

The VSP is a broad range of multi-tenant network services securely integrated on a single operating system without using server virtualization technology. Coupled with the VSP are new connection capabilities including VIN (Virtual Invisible Networking),

which **effectively renders a range of Virtual Private Network technologies obsolete** due to significantly improved performance, ease of setup and security.



Virtual Service Platform (VSP) Software Architecture

In simple terms, the VSP is a comprehensive secure network of services with special connectivity technologies and collaborative features in one software product.

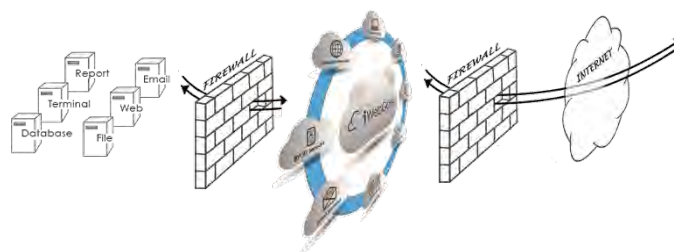
Once installed, this software instantly deploys a “virtual network of services” in a *single* physical or virtual server, making it adaptable to both local and cloud network environments of all sizes.

This innovation is known as a Ghost Network Platform because it establishes an extremely secure and highly collaborative environment between existing networks and other potentially dangerous networks like the internet.

Firewalls are universally used to separate computer networks. This traditional architecture has been the status quo since the internet first emerged. However, in today’s connected world, this ‘old’ architecture faces increasing security challenges and collaborative barriers for most computer network environments – including the Internet.

This new independent network environment creates an advanced layer of security outside of trusted/private networks. It acts as a filter and containment area, whilst at the same time, providing an organization with a highly scalable and collaborative space.

As an additional network of services between a private network and all other internal and external networks like the Internet, the VSP seamlessly creates an extremely capable ‘third zone’.



Third Zone – New Centerpiece for Network Connectivity

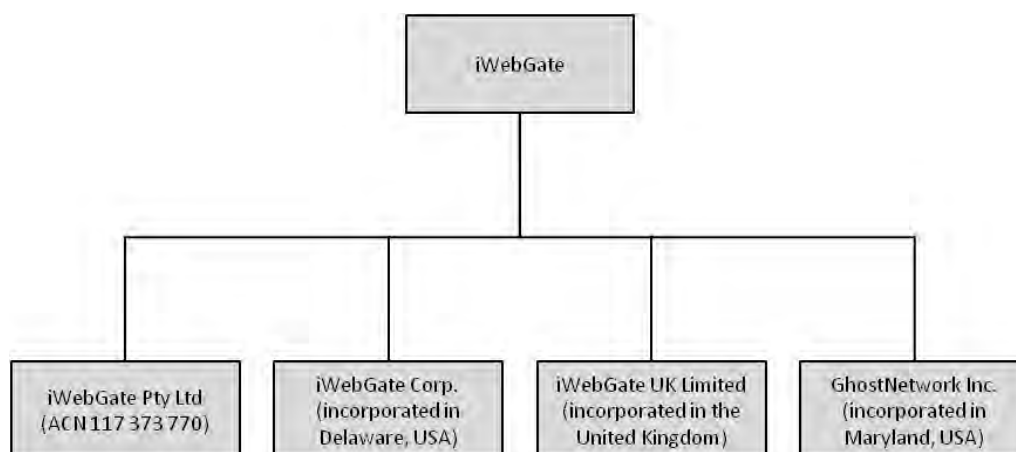
Establishing this third zone transforms the centerpiece for connectivity from firewalls to a purpose-built network of services. Existing security products are re-purposed around an advanced layer of security now acting as an effective filter and

containment area that changes the characteristic of connections between primary networks from direct to indirect.

Unlike firewalls or conventional proxies, iWebGate's VSP simultaneously delivers a highly scalable and collaborative space enabling customers to instantly become as-a-Service providers with unprecedented agility, efficiency and ease of use.

2.6 Corporate structure of the iWG Group

The corporate structure of the iWG Group is as follows:



The iWG Group comprises iWebGate Technology Limited, which has developed the iWG product and holds the patents over the intellectual property, and iWG 100% owned subsidiaries that have been established to commercialise the product worldwide.

The commercialisation of the iWebGate product will be undertaken through iWebGate Pty Ltd in the Australia Asia Pacific region, iWebGate Corp and GhostNetwork Inc in the USA, and iWebGate UK Limited will be used for the Europe Middle East and Africa regions.

2.7 Overview of iWebGate's intellectual property

iWebGate is the owner of intellectual property including patents in the United States of America, Europe, China and Australia, which relate to computer networking technology. This technology means that iWebGate can provide its customers with a more affordable system of networking computers with significantly increased security from online threats as well as enhanced functionality.

iWebGate has a granted patent in the United States of America and pending patent applications in Australia, China, Europe (region), as well as further patent applications in the United States of America and a pending provisional patent application in Australia. In addition, iWebGate has a portfolio of registered domain names.

2.8 *Summary of iWebGate's material contracts*

Material agreements

(a) Strategic Capital Management Mandate

SCM Equities Pty Ltd (**SCM**) entered into a mandate agreement with iWebGate on 8 November 2013, which was replaced by an agreement dated 1 March 2014, pursuant to which SCM acts as iWebGate's corporate adviser in connection with the funding and strategic requirements for the iWG Group (**Assignment**).

The mandate is for a six month period, unless SCM's engagement is terminated or the Assignment is successfully completed.

As compensation for SCM's services hereunder, iWebGate agreed to pay SCM as follows:

Stage 1

SCM charges a monthly mandate fee of \$15,000 plus GST during the six month period (**Mandate Fee**).

Stage 2

SCM will charge a 6% (plus GST) capital raising fee (**Capital Raising Fee**) on the raising of all capital for iWebGate by SCM under the mandate. Any fees raised through SCM that are payable to any third party organisations are not in addition to this amount and fees required for third party disbursements will come from the existing 6% fee.

Travel and any out of pocket expenses must be approved by iWebGate in advance for amounts over \$2,000.00. All pre-approved expenses will be reimbursed within 30 days of request.

SCM's engagement under the mandate may be terminated at any time, with or without cause, by either iWebGate or SCM upon written notice. In the event of any termination of SCM's engagement under the mandate, SCM will continue to be entitled to the fees and expenses that become payable under the mandate prior to termination.

If iWebGate completes a \$2 million capital raising (as contemplated by the first mandate agreement with SCM) within 3 months after early termination, then iWebGate must pay SCM the Mandate Fee and the Capital Raising Fee unless at the time of termination SCM suffers an insolvency event or has failed to carry out, or breached its obligations under the mandate agreement.

SCM and iWebGate mutually indemnify each other (and their directors, officers, employees and associated parties) against certain losses arising out of their performance of the mandate which occur as a result of a material breach of the mandate by the other party, except in the case of fraud, gross negligence or breach of the mandate by the indemnified parties. The indemnity remains in force until the earlier of the engagement's completion, or 18 months from 1 March 2014. SCM's liability under the mandate is limited to the amount of fees received by SCM pursuant to the mandate. Neither SCM

nor iWebGate may settle any action or judgement concerning an indemnity unless with the prior written consent of the other party or otherwise where such settlement includes an unconditional release of any person entitled to be indemnified from any losses arising out of any such action or judgement.

The agreement contains additional provisions considered standard in agreements of this nature.

(b) Loans from the Company

iWebGate has entered into two loans with the Company. These are loans by the Company on the same terms, and the Company considers both loans to be on arm's-length terms. Accordingly, Shareholder approval for the loans has not been sought.

The loans from the Company are respectively for the amounts of \$1,000,000 and \$600,000. Interest on the loans accrues monthly and is calculated on the last day of each calendar month following the date on which the agreement was signed (in each case). The loans are repayable within 2 years of the agreement in each case. The earliest of these loans was entered into on 27 December 2013, and is repayable before 27 December 2015 (subject to the Proposed Transaction not proceeding). The later of these loans was entered into on 1 May 2014, and is repayable before 31 August 2014 (subject to the Proposed Transaction not proceeding).

The loans are repayable in the event that the Proposed Transaction does not proceed. In the event that the Proposed Transaction does proceed, iWebGate will become wholly-owned by the Company and the loans will no longer be repayable. The agreements contain additional provisions considered standard in agreements of this nature.

(c) iWebGate shareholder loans

iWebGate has entered into five separate loan agreements on substantially the same terms and conditions, which were assigned to, respectively Talks One Pty Ltd as trustee for Gooch Family Trust (an associate of Mr Timothy Gooch; for more information see section 2.22) and Mr Mark Harrell as trustee for Harrell Family Trust (an associate of Mr Mark Harrell; for more information see section 2.22), The Sutherland Family Company Pty Ltd as trustee for The Swan Trust, Charles Dunelm Gargett and Katherine Jennifer Gargett, and Anthony John Gooch as trustee for The Gooch Family Trust (collectively, the **Lenders**). Each of the Lenders are associated with an iWebGate employee (**iWebGate Employee**).

Pursuant to the agreements, the Lenders provided ongoing facilities to iWebGate as requested by iWebGate from time to time. Compound interest of 8% per annum is payable on the loans under the agreements.

iWebGate can pay the loans, or a proportion of the loans, at any time without penalty. The loans are repayable on the occurrence of a number of events, such as the Lender providing iWebGate with written 90 day notice of demand, or the relevant iWebGate Employee ceasing to be employed by iWebGate. Subject to completion of the Proposed Transaction, the Company and the Lenders have agreed to negotiate in good faith the repayment terms for the loans. However, as per the Sale and Purchase Agreement, \$865,694 will be

paid to Talks One Pty Ltd as trustee for Gooch Family Trust (see section 2.3) which forms part of the loan balance detailed below.

As at 30 June 2014, the following amounts were owed by iWebGate to the Lenders pursuant to these loans:

- (i) Talks One Pty Ltd as trustee for Gooch Family Trust: \$891,039;
- (ii) The Sutherland Family Company Pty Ltd as trustee for The Swan Trust: \$798,747;
- (iii) Charles Gargett and Katherine Gargett: \$142,000;
- (iv) Mr Mark Harrell as trustee for Harrell Family Trust: \$27,321; and
- (v) Anthony Gooch as trustee for The Gooch Family Trust: \$129,739.

2.9 Independent Expert's Report

For the purposes of item 7 of section 611 of the Corporations Act and to assist Shareholders in considering the resolutions in this Notice of Meeting, the Company has commissioned an Independent Expert's Report on the fairness and reasonableness of the Proposed Transaction. The report concludes the Proposed Transaction is FAIR AND REASONABLE to the non-Associated Shareholders.

You should consider the Independent Expert's Report in detail (see Annexure 2).

2.10 Indicative timetable

Set out in the table below is the expected timing for completion of the Proposed Transaction and the matters contemplated by the Resolutions, subject to compliance with all regulatory requirements. These dates are indicative only and are subject to change. The Directors reserve the right to amend the timetable without notice.

Action	Date
Lodgement of Prospectus with ASIC	8 September 2014
Prospectus offer opens	15 September 2014
Suspension of the Company's securities from trading on ASX at the opening of trading	17 September 2014
General Meeting	17 September 2014
Prospectus offer closes	29 September 2014
Securities registered on a post-Capital Consolidation basis	2 October 2014
Issue of all New Shares	7 October 2014
Last day for dispatch of new holding statements to Existing Shareholders	9 October 2014

Completion of the Proposed Transaction	13 October 2014
Commencement of trading of New Shares on ASX	17 October 2014

2.11 Advantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) the Directors of the Company believe that an investment in iWebGate will add significant value to the Company's Shares;
- (b) the Existing Shareholders of the Company can share in the expected future success of iWebGate;
- (c) the appointment of the Proposed Directors to the Board; and
- (d) the Company will receive a significant cash injection and be in a position to continue trading.

2.12 Disadvantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the proposed Resolutions:

- (a) the Proposed Transaction and the passing of the Resolutions will result in the dilution of Shareholders' interests in the Company (see further in relation to the capital structure of the Company at section 2.16; and
- (b) the Company and its Shareholders will be exposed to risks in relation to iWebGate and its business including (but not limited to):
 - (i) iWebGate may not be able to successfully commercialise its products;
 - (ii) iWebGate's products may be overtaken by new technologies or superior products of competitors;
 - (iii) negative reviews or comments about iWebGate's products or services could adversely impact on its reputation;
 - (iv) iWebGate has a limited trading history and does not have audited historical financial information, and there is no guarantee that iWebGate will be able to achieve its financial goals; and
 - (v) iWebGate may be subject to risks of infringement or counterfeiting of its intellectual property rights, whether in Australia or abroad, and different jurisdictions may offer less protection or reduced ability to enforce these rights,

as further explained at section 2.13.

2.13 Risks – change of nature and scale of activities

Shareholders should be aware that if the Resolutions are approved, the Company will be changing the nature and scale of its activities which will, because of its nature, be subject to various risk factors. These risks are both specific to the industry in which the Company operates and also relate to the general business and economic environment in which the Company will operate. An investment in the Company is not risk free and Existing Shareholders should consider the risk factors described below, together with information contained elsewhere in this Notice of Meeting. The following is not intended to be an exhaustive list of the risk factors to which the Company will be exposed to on the acquisition of iWebGate.

Based on the information available, the principal risks facing the Company upon completion of the Proposed Transaction will be as follows:

(a) Limited trading history

The business of iWebGate is yet to be fully commercialised and the bulk of its revenues to-date have been as a result of equity raisings or grants of funds. Further, iWebGate's efforts in the past have been significantly focused towards the research and development of its product. In addition, iWebGate does not have audited financial information available in respect of its business. There is therefore greater uncertainty in relation to the business of iWebGate and Shareholders should consider iWebGate's prospects in light of its limited financial history. In addition, there is no guarantee that iWebGate will be able to successfully commercialise its products (see further at section 2.13(a)) and if it is unable to do so it will not be able to realise significant revenues in the future.

(b) Financial reporting risk

iWebGate has not complied with its financial reporting obligations having failed to lodge audited accounts for the financial years ended 30 June 2007 to 30 June 2013 (inclusive). Technically, this failure to lodge the financial reports means that iWebGate is in breach of its financial reporting requirements under Chapter 2M of the Corporations Act. Shareholders should be aware that this breach may attract liability under the Corporations Act and ASIC may take enforcement action against iWebGate in respect of the past breaches and/or the past breaches may affect iWebGate's operations going forward.

(c) Commercialisation risk

iWebGate is now in the process of commercialising its products, and will look to do this by (amongst other things) attracting re-sellers of its products who can attract significant end-user customers to purchase iWebGate's products. There is a risk that iWebGate will not be able to successfully commercialise its products, including by not being able to attract sufficient number or size of re-sellers to commercialise its products, or by re-sellers not being able to attract sufficient end-user customers.

(d) Competition and new technologies

The industry in which iWebGate is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While iWebGate will undertake all reasonable due diligence in its business decisions

and operations, iWebGate will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of iWebGate's projects and business. For instance, new technologies could overtake the advancements made by iWebGate's products. In that case, iWebGate's revenues and profitability could be adversely affected.

(e) Special reputational risks

iWebGate operates in an online and fast-changing environment. Negative publicity can spread quickly, whether true or false. Disgruntled customers posting negative comments about iWebGate in public forums may have a disproportionate effect on iWebGate's reputation and its ability to earn revenues and profits. Additionally, complaints by such users can lead to additional regulatory scrutiny and a consequential increased compliance burden in responding to regulatory inquiries. This could negatively impact on iWebGate's profitability.

(f) Hosting provider disruption risks

iWebGate relies on multiple hosting providers, including but not limited to Amazon Web Services, RackSpace, Telstra and Vocus ("**Infrastructure Provider**") to maintain continuous operation of its service. Should the Infrastructure Provider suffer outages, for example due to catastrophic destruction of infrastructure following a natural disaster, access to iWebGate services may also be disrupted. Whilst iWebGate expects to be able to easily replace its Infrastructure Providers, if an Infrastructure Provider ceases to offer its services to iWebGate and iWebGate is unable to obtain a replacement Infrastructure Provider quickly, this could also lead to disruption of access to iWebGate's services.

Unavailability of iWebGate's services would lead to a loss of revenue while iWebGate is unable to provide its services. Further, particularly in the case of prolonged outages, such disruptions could have a material adverse impact on iWebGate's reputation. This could hinder iWebGate's ability to retain existing customers or attract new customers which would have a material adverse impact on iWebGate's growth.

(g) Protection of intellectual property rights

iWebGate believes that its intellectual property rights such as trademarks and patents are important to its success and competitive position and recognises the importance of registering patents and trademarks related to its product and brand. iWebGate is not aware of any material violations or infringements of its intellectual property rights. However, third parties may in the future attempt to challenge the ownership and/or validity of iWebGate's intellectual property rights. In addition, the business of iWebGate is subject to the risks of third parties counterfeiting the "iWebGate" brand or otherwise infringing intellectual property rights. Such unauthorised use of the "iWebGate" brand in counterfeit products could not only result in potential revenue loss, but also have an adverse impact on its brand value and perceptions of its product qualities. iWebGate may not always be successful in securing protection for its intellectual property rights, in preventing the production and sale of counterfeit products or preventing other infringements of its intellectual property rights.

Protections offered by foreign jurisdictions in respect of intellectual property may not be as effective as in Australia. iWebGate may need to resort to litigation in the future to enforce its intellectual property rights. Any such litigation could result in substantial costs and a diversion its resources. iWebGate's failure to protect and enforce its intellectual property rights could have a material adverse impact on its reputation, business and results of operation.

(h) Reliance on key personnel

The recent development of the business of iWebGate has been in large part due to the talent, effort, experience and leadership of its senior management team, in particular the leadership of iWebGate's Chief Executive Officer (USA), Mr Timothy Gooch and Managing Director, (Asia and Pacific), Mr Mark Harrell. Although the Company has entered into a 5 year employment contract with Mr Gooch, and a 3 year employment contract Mr Harrell (both of which are subject to the successful completion of the Proposed Transaction; for further information see section 2.18(a)), there is no assurance that such contracts will not be terminated or will be renewed on the expiry of their term. Both Mr Gooch and Mr Harrell have minimum employment periods of 5 years and 3 years, respectively. If either of their contracts are terminated within these periods, then the Company may be forced to pay that person for the remainder of their minimum period of employment with the Company. Furthermore, neither Mr Gooch nor Mr Harrell are subject to non-compete clauses after their employment with the Company has ended. This could mean that, after finishing their employment with the Company, either person could seek employment elsewhere in a competing company. In addition, there is no assurance that Mr Gooch or Mr Harrell, or senior management would remain healthy and able to continue in their current roles. If such contracts were terminated or breached, or if the relevant employees were no longer to continue in their current roles, iWebGate (and/or the Company) would need to employ alternative staff, and iWebGate's operations and business would be adversely affected.

(i) Data loss, theft or corruption

iWebGate provides its services through online and on-premise deployments. Hacking or exploitation of some unidentified vulnerability of iWebGate services could lead to a loss, theft or corruption of data.

This could render iWebGate services unavailable for a period of time whilst systems and data are restored. It could also lead to unauthorised disclosure of users' data with associated reputational damage, claims by users and regulatory scrutiny and fines. Although iWebGate has strategies and protections in place to try to minimise security breaches and to protect data these strategies might not be successful. In that event, disruption to iWebGate services and unauthorised disclosure of user data could negatively impact upon iWebGate's revenues and profitability.

(j) Hacker attacks

To some extent, iWebGate relies upon the availability of its website to provide services to customers and attract new customers. Hackers could render the website unavailable through a disrupted denial of service or other disruptive attacks.

Although iWebGate has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the website could lead to a loss of revenues whilst iWebGate is unable to provide its services. Further, it could hinder iWebGate's abilities to retain existing customers or attract new customers, which would have a material adverse impact on iWebGate's growth.

(k) Domain name risk

To some extent, iWebGate's business depends on customers being attracted to its website. iWebGate has registered a domain name in Australia for the purposes of its website. However, should iWebGate not renew or otherwise lose control of its domain name, it would lose all website traffic direct to that domain. This would adversely affect iWebGate's revenue.

(l) Attracting customers to iWebGate's website

To some extent, iWebGate's revenues depend on sufficient customers being attracted to its website. The amount of visitors to its website directly affects its sales of the product. Various factors can affect the level of web traffic arriving at iWebGate's website including:

- (i) Marketing and promotions: if iWebGate's marketing and promotion efforts are not effective this will manifest itself as a lack of customers visiting the iWebGate website.
- (ii) Brand damage: should iWebGate suffer from reputational damage, web traffic could be affected.
- (iii) Search engine traffic: search engines such as Google, direct significant traffic to the iWebGate website. Should these search engines make changes to their algorithms and procedures that direct this traffic, iWebGate could see a substantial drop in customers visiting its website. For example, Google regularly updates the algorithms that determine the ranking of results it returns for any given search term. iWebGate attempts to follow Google's guidelines and online best practice to maintain the flow of traffic to its website, but such changes could adversely affect the traffic to its website.

A decline in traffic to iWebGate's website could lead to a decline in iWebGate's ability to attract customers. This could adversely affect iWebGate's revenue.

(m) Customer service risk

Customers may need to engage with iWebGate's customer service personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a customer iWebGate. iWebGate needs to recruit and retain staff with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If iWebGate loses key customer service personnel, fails to provide adequate training and resources for customer service personnel, or if the computer systems relied on by customer service personnel are disrupted by technological failures, this could

lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on iWebGate's revenue.

(n) Risks associated with the regulatory environment

iWebGate's main operating entities are based in Australia and subject to Australian laws and regulations. For example, iWebGate is required to comply with the *Corporations Act 2001* (Cth) and the *Competition and Consumer Act 2010* (Cth). However the iWG Group also intends to increase its operations in international jurisdictions such as the United States of America and Europe. Users, competitors, members of the general public or regulators could allege breaches of the legislation in the relevant jurisdictions, for example, if they considered an advertisement to be misleading or deceptive. This could result in remedial action or litigation, which could potentially lead to iWebGate being required to pay compensation or a fine. iWebGate's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon iWebGate's profitability. In addition, if regulators took the view that iWebGate had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to iWebGate and consequent impact upon its revenue.

iWebGate intends to offer its products throughout the world and has users of those services in international jurisdictions including the United States of America. Regulatory changes could see iWebGate being required to hold a licence in some of these jurisdictions or otherwise comply with local regulations. This could preclude the iWebGate from offering certain services in these jurisdictions until such a licence has been obtained, or may require to iWebGate to comply with a range of regulatory requirements. Any such increase in the costs and resources associated with the regulatory compliance in these jurisdictions could impact upon iWebGate's profitability.

(o) Foreign Exchange Risks

iWebGate's costs and expenses in the United States of America are in US\$. Accordingly, the depreciation and/or the appreciation of the US\$ relative to the Australian currency would result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the US\$ relative to the Australian currency may result in lower than anticipated revenue, profit and earning. iWebGate will be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the US\$, and will have to monitor this risk on an ongoing basis.

(p) Liquidity and Dilution Risk

There are currently 451,441,424 Existing Shares on issue with 18.93% (assuming \$5,000,000 is raised under the Capital Raising), 18.16% (assuming \$15,000,000 is raised under the Capital Raising) and 17.81% (assuming \$20,000,000 is raised under the Capital Raising) of the total New Shares on issue following re-compliance with Chapters 1 and 2 being held by Existing Shareholders (assuming they do not participate in the Capital Raising). Upon reinstatement of the Company's securities to quotation on ASX, it is expected

that a significant portion of the Shares on issue will be subject to escrow restrictions imposed by the Listing Rules. Some Existing Shareholders may consider that there is an increased liquidity risk as a large portion of the issued capital may not be able to be traded freely for periods of up to 24 months. For further information on potential restrictions to be imposed by ASX see sections 3.5 and 3.8.

(q) Future Capital Needs

Further funding of projects may be required by iWebGate to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of iWebGate and consequently its performance.

(r) Liability Claims

iWebGate's products are currently sold predominantly within Australia and the United States of America. iWebGate may be exposed to liability claims if those service products are provided in fault and/or cause harm to its customers. As a result, iWebGate may have to expend significant financial and managerial resources to defend against such claims. iWebGate believes that such liability claim risks will increase as new technology is introduced to the market to circumvent sub-security systems such as included within iWebGate's products. If a successful claim is made against iWebGate, iWebGate may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

(s) Insurance Coverage

iWebGate faces various risks in connection with its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. iWebGate maintains insurance coverage for its employees (as required by law in Australia), as well as professional indemnity, product liability and third party liability insurance in Australia, however iWebGate does not maintain business interruption insurance or insurance against claims for certain property damage or other liabilities in Australia as well as various insurances in other jurisdictions. iWebGate will need to review its insurance requirements and obtain relevant insurances covering each jurisdiction it operates in as required. If iWebGate incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, its financials may be adversely affected.

2.14 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities.

2.15 Pro forma statement of financial position

The pro forma statement of financial position of the Company as at 31 December 2013, assuming Resolutions 1 to 11(b) (inclusive) are passed and implemented, is

set out below and is prepared based on the pro forma statement of financial position included in the Independent Expert's Report attached as Annexure 2.

	Minimum Subscription (\$5m)	Full Subscription (\$15m)	Full Oversubscription (\$20m)
Current assets			
Cash and cash equivalents	6,517,618	15,907,118	20,603,618
Trade and other receivables	519,809	519,809	519,809
Total current assets	7,037,427	16,426,927	21,123,427
Non-current assets			
Property, plant and equipment	36,305	36,305	36,305
Intangible assets	16,600,000	16,600,000	16,600,000
Total non current assets	16,636,305	16,636,305	16,636,305
Total assets	23,673,732	33,063,232	37,759,732
Current liabilities			
Trade and other payables	466,307	466,307	466,307
Total current liabilities	466,307	466,307	466,307
Non-current liabilities			
Financial liabilities	1,185,261	1,185,261	1,185,261
Total non-current liabilities	1,185,261	1,185,261	1,185,261
Total liabilities	1,651,568	1,651,568	1,651,568
Net assets	22,022,164	31,411,664	36,108,164

2.16 Pro forma statement of capital structure

The pro forma capital structure of the Company, assuming Resolutions 1 to 11(b) (inclusive) are passed and implemented, is as follows:

Capital Structure						
	Minimum subscription		Full subscription		Full oversubscription	
	Number of New Shares	%	Number of New Shares	%	Number of New Shares	%
New Shares on issue (being Existing Shares on a post-Capital Consolidation basis)	112,860,356	18.93	112,860,356	18.16	112,860,356	17.81
Shares offered as contemplated by Resolution 4	12,500,000	2.10	37,500,000	6.04	50,000,000	7.89
Shares offered as contemplated by Resolutions 6(a) and 6(b)	5,000,000	0.84	5,000,000	0.80	5,000,000	1.79
Shares offered as contemplated by Resolutions 3(a) and 3(b)	465,972,916	78.14	465,972,916	75.00	465,972,916	73.52
Total Shares on issue at the completion of the offers	596,333,272	100.0	621,333,272	100.0	633,833,272	100.0
*The Directors expect that a significant portion of the New Shares on issue following completion of the Proposed Transaction will be subject to escrow.						

2.17 Relevant Interests and Voting Power

This section 2.17 sets out the effect of the issue of New Shares pursuant to Resolutions 3(a) and 3(b) (issue of consideration to iWG Vendors) on Relevant Interests and Voting Power in relation to the Company.

(a) Identity of persons who will receive New Shares in the Company pursuant to Resolutions 3(a) and 3(b) and their Associates

If Resolutions 3(a) and 3(b) are passed (issue of consideration to the iWG Vendors), both the Related iWG Vendors and the Unrelated iWG Vendors will receive the numbers of New Shares (and acquire a Relevant Interest in the number of New Shares) set out in Annexure 1 of this Explanatory Statement.

Each of the iWG Vendors do not consider they will be Associates of one another after the New Shares have been issued to them, and therefore do not consider that their Voting Power in the Company will exceed 20% following completion of the Proposed Transaction. However, at the point in time when the New Shares are issued, upon completion of the Sale and Purchase Agreement, each of the iWG Vendors will be considered Associates of one another as a consequence of their participating in the Proposed Transaction and agreeing to sell their shares in iWebGate to the Company.

The following additional information is provided in relation to the iWG Vendors:

(i) Talks One Pty Ltd as trustee for The Gooch Family Trust:

The directors of Talks One Pty Ltd are Mr Timothy Gooch, his mother Mrs Sue Gooch, and his father Mr Malcolm Gooch. Mr Timothy Gooch is a beneficiary of the Gooch Family Trust, together with other family members. Mr Timothy Gooch is a director and senior employee of iWebGate, and a Proposed Director of the Company. For further information, see Section 2.22.

(ii) Mr Mark Harrell as trustee for the Harrell Family Trust:

Mr Mark Harrell is a beneficiary of the Harrell Family Trust, together with other family members. Mr Mark Harrell is a director and senior employee of iWebGate, and a Proposed Director of the Company. For further information, see Section 2.22.

(iii) The Sutherland Family Company Pty Ltd as trustee for The Swan Trust:

The directors of The Sutherland Family Company Pty Ltd are Andrew Sutherland and his wife Mrs Sally Sutherland. Mr Andrew Sutherland is a beneficiary of The Swan Trust, together with other family members. Andrew Sutherland is a director and senior employee of iWebGate.

(iv) Singara Pty Ltd as trustee for the Gargett Family Trust:

The directors of Singara Pty Ltd are Mr Charlie Gargett and his wife Mrs Katherine Gargett. Mr Charlie Gargett is a beneficiary of the Gargett Family Trust, together with his other family members. Mr Charlie Gargett is a director and senior employee of iWebGate.

Each of the other iWG Vendors are unrelated private investors in iWebGate.

(b) Impact of the Proposed Transaction on the Voting Power in the Company's Shares

(i) The Company's capital structure

As at the date of this Explanatory Statement, the Company has 451,441,424 Existing Shares on issue, prior to the Capital Consolidation.

Once the issue of securities as proposed in Resolutions 3(a), 3(b), 4, 6(a) and 6(b) have been completed and New Shares are issued, the capital structure of the Company will consist of 596,333,272 New Shares (assuming \$5,000,000 is raised under the Capital Raising), 621,333,272 New Shares (assuming \$15,000,000 is raised under the Capital Raising) and 633,833,272 New Shares (assuming \$20,000,000 is raised under the Capital Raising).

(ii) Current Voting Power of the iWG Vendors

As at the date of the Notice of Meeting, the following iWG Vendors have a Relevant Interest in Existing Shares:

- A. Tethyan Holding Pty Ltd as trustee for the Tethyan Investments Trust holds 750,000 Existing Shares and its Voting Power in the Company is 0.17%; and
- B. Brian Capp and Sally Sutherland as trustees for the Capp Superannuation Fund hold 600,000 Existing Shares and its Voting Power in the Company is 0.13%.

Except as disclosed above, none of the iWG Vendors have any Relevant Interest in any Existing Shares. Accordingly, the iWG Vendors combined Voting Power as at the date of the Notice of Meeting is 0.30%.

(iii) Relevant Interests and maximum Voting Power of the iWG Vendors after the issue of the New Shares pursuant to Resolutions 3(a), 3(b), 4, 6(a) and 6(b)

Once all of the New Shares referred to in Resolutions 3(a), 3(b), 4, 6(a) and 6(b) have been issued, the number of Shares in which the iWG Vendors will have a Relevant Interest will be as set out in Annexure 1.

The maximum Voting Power of the iWG Vendors set out below is provided based on the Company achieving:

- A. the minimum Capital Raising of \$5,000,000;
- B. the Company raising \$15,000,000;
- C. the Company raising \$20,000,000.

Based on the Company achieving the minimum Capital Raising of \$5,000,000, the iWG Vendors would together hold Voting Power equal to 78.20% upon issue of the New Shares pursuant to Resolutions 3(a), 3(b), 4, 6(a) and 6(b).

Based on the Company raising \$15,000,000, the iWG Vendors would together hold Voting Power equal to 75.05% upon issue of the New Shares pursuant to Resolutions 3(a), 3(b), 4, 6(a) and 6(b) .

Based on the Company raising \$20,000,000, the iWG Vendors would together hold Voting Power equal to 73.57% upon the issue of the New Shares pursuant to Resolutions 3(a), 3(b), 4, 6(a) and 6(b) .

These numbers and percentages also assume that the Company does not issue any other Shares to any person prior to the completion of the Proposed Transaction.

2.18 Details of the terms of any agreement between an iWG Vendor and the Company (or any of their Associates) that is conditional on (directly or indirectly) Shareholder approval of the Proposed Transaction

(a) Employment agreements for Mr Timothy Gooch and Mr Mark Harrell

Mr Timothy Gooch and Mr Mark Harrell will be engaged by the Company via employment agreements on substantially similar terms (**Employment Agreements**). Mr Gooch's role is as Chief Executive Officer (USA), and Mr Harrell's role is as Managing Director (Asia Pacific).

The total annual remuneration payable to Mr Gooch under his employment agreement is a salary of US\$250,000 (inclusive of superannuation), and allowances of up to US\$90,000 in connection with Mr Gooch's relocation to the United States.

The total annual remuneration payable to Mr Harrell under his employment agreement is a salary of \$210,000 (inclusive of superannuation) and allowances of up to \$6,800.

Both Employment Agreements will commence on a date agreed by the parties (**Commencement Date**), subject to the successful completion of the Proposed Transaction occurring on or before 31 December 2014. The Commencement Date is expected to be in September 2014. The initial term of the employment is 5 years from the Commencement Date for Mr Gooch, and 3 years from the Commencement Date for Mr Harrell, unless otherwise terminated in accordance with their respective Employment Agreements (**Initial Period**). During the Initial Period, the Employment Agreements may only be terminated by the Company at any time:

- (i) by one months' notice to the employee in cases of prolonged illness or incapacity (mental or physical);
- (ii) by summary notice in circumstances where the employee neglects to perform his duties or comply with reasonable or proper direction, engages in serious misconduct or refuses or fails to accept a transfer of employment under the agreement.

After the Initial Period, the Employment Agreements may be terminated in the same manner as outlined above during the Initial Period, or by either the Company or the employee at any time without cause by giving not less than 6 months' notice in writing.

As Chief Executive Officer (USA) and Managing Director (Asia Pacific), Mr Gooch and Mr Harrell shall (amongst other things):

- (i) be engaged as full-time employees of the Company and during usual business hours and such other hours as the exigencies of business may from time to time require, shall devote the whole of their time, attention and skill to the duties of their respective positions and to the business of the Company, and such related corporations of the Company as the Company may from time to time direct;
- (ii) perform their duties in a proper and reasonable manner, with the standard of diligence normally exercised by a person bearing

comparable qualifications in the performance of comparable duties, and in accordance with generally accepted practices and standards appropriate to those duties and that industry; and

- (iii) obey all reasonable and lawful directions given to them by or under the authority of the Board, and use their best endeavours to promote the interests of the Company and of such related corporations of the Company as the Company may from time to time direct.

Inventions, discoveries, designs, improvements, developments, copyright work or circuit layout (**Inventions**) relating to or capable of being used in the business of the Company or any of its related corporations which are made by Mr Gooch or Mr Harrell during their employment by the Company will be the property of the Company, and Mr Gooch and Mr Harrell are obligated to promptly disclose full details of any such Invention.

Mr Gooch and Mr Harrell are also subject to restrictions in relation to the solicitation of employees and clients, the use of confidential information after their employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of their employment with the Company, on terms which are otherwise considered standard for agreements of this nature.

The Employment Agreements contain additional provisions considered standard for agreements of this nature.

(b) iWebGate shareholder loans

A summary of the shareholder loans has been included at section 2.8(c).

2.19 Intentions as to the future of the Company

The Company understands that the present intentions of the iWG Vendors regarding the future of the Company, if the Resolutions are approved by Shareholders, are that they:

- (a) have no current intention of making any changes to the business of the Company following the acquisition of iWebGate except as outlined in this Explanatory Statement or agreed to in the Company's plans for the business following the acquisition of iWebGate as set out in the Prospectus;
- (b) do not propose to inject further capital into the Company;
- (c) intend to retain the present employees of the Company (other than the proposed changes to the Board, as described in section 2.22);
- (d) do not propose that any assets be transferred from the Company to the iWG Vendors or their Associates; and
- (e) have no intention to otherwise re-deploy the fixed assets of the Company.

2.20 Expenditure plans and use of funds

The Company intends to use the funds raised from the New Shares issued pursuant to the Prospectus, as contemplated by Resolution 4, as follows:

Proposed Application of funds raised						
	Minimum Subscription (\$5,000,000)		Full Subscription (\$15,000,000)		Full Oversubscription (\$20,000,000)	
	Amount (\$)	%	Amount (\$)	%	Amount (\$)	%
Expenses of the Capital Raising (including capital raising fees)	475,000	9.5	1,085,500	7.2	1,389,000	6.9
Sales and marketing	1,725,000	34.5	5,175,000	34.5	6,900,000	34.5
Corporate and administration	462,000	9.2	1,385,000	9.2	1,847,000	9.2
Travel and other	140,000	2.8	420,000	2.8	560,000	2.8
Loan repayments	866,000	17.3	2,100,000	14.0	2,100,000	10.5
Working capital	1,332,000	26.6	4,834,500	32.2	7,204,000	36.0
Total	5,000,000	100.0	15,000,000	100.0	20,000,000	100.0

2.21 Financial and dividend policies of the Company

There is no immediate intention of the Existing Directors, the Proposed Directors or the iWG Vendors to change the financial or dividend policies of the Company.

2.22 The identity, associations (with the iWG Vendors) and qualifications of any person who is intended to or will become a director

It is proposed to appoint the following persons as Directors to become effective only on and from the date on which the Proposed Transaction is completed. Following the appointment of the Proposed Directors, it is proposed that Messrs Ong and Wolanski will resign as directors.

It should be noted that Messrs Gooch and Harrell, in their capacity as directors of iWebGate, are directors of a company that has not complied with its financial reporting obligations under Chapter 2M of the Corporations Act. It should also be noted that Messrs Gooch and Harrell have not previously served on the board of a listed company.

Mr Tim Gooch

Chief Executive Officer / Co-Founder of iWebGate

Before founding iWebGate in 2004, Mr Gooch had 10 years' experience as an entrepreneur with expertise in designing software and owned and operated healthcare and software development companies. As a founding partner of iWebGate, his experience and responsibilities included strategic and innovative design concepts, overseeing research and development projects, business plan, marketing and sales strategy, overseeing corporate policies and commercial transactions, investor relations, and strategic partner alliances. Mr Gooch holds a Bachelor of Science from the University of Western Australia.

Please refer to section 2.18 for details of agreements between Mr Tim Gooch and the Company that are conditional on (or directly or indirectly depend on) Shareholders' approval of the Proposed Transaction.

Please refer to section 2.17(a)(i) for a description of the relationship between Mr Tim Gooch and Talks One Pty Ltd as trustee for the Gooch Family Trust, which is an iWG Vendor.

Mr Mark Harrell

Managing Director Asia Pacific, iWebGate

Before joining iWebGate in 2005, Mr Harrell had over 10 years' experience as a Chief Information Officer for a global company iWorldMark Pty Ltd. Previous experience includes managing online education programs throughout Asia and developing sophisticated automated finance programs in both Australia and South Africa. Mr Harrell also has strong business intelligence and information systems experience along with operational and project management skills. He also has numerous qualifications including Microsoft Certified Systems Engineer, Microsoft Certified Professional and Oracle Certified Professional.

Please refer to section 2.18 for details of agreements between Mr Mark Harrell and the Company that are conditional on (or directly or indirectly depend on) Shareholders' approval of the Proposed Transaction.

Please refer to section 2.17(a)(ii) for a description of the relationship between Mr Mark Harrell and Mr Mark Harrell as trustee for the Harrell Family Trust, which is an iWG Vendor.

2.23 Summary of Employee Incentive Plan

Awards

Under the Plan, Participants (as defined below) will be granted incentive awards (**Awards**) which may comprise:

- (a) performance shares, being Shares issued at a price determined by the Board in their sole and absolute discretion, subject to any vesting conditions and/or performance conditions (**Performance Shares**); and/or
- (b) options issued for nil monetary consideration each to subscribe for one Share on payment of an exercise price and subject to any vesting conditions, performance conditions and/or exercise conditions (**Options**); and/or
- (c) performance rights, being an entitlement of a Participant to one Share, subject to the satisfaction of any vesting conditions and/or performance conditions. No consideration is payable upon the automatic conversion of a performance right (**Performance Rights**); and/or
- (d) performance share rights, being an entitlement of a Participant to one Share, subject to the satisfaction of any vesting conditions and/or performance conditions and payment of the relevant conversion price (**Conversion Price**), which shall be equal to the lower of (a) the price per Share as determined by the Board in its sole and absolute discretion: (b) the closing market price of Shares traded on ASX on the day before the date a performance share right is converted in accordance with the Plan (**Performance Share Right**).

All Awards will be granted subject to the satisfaction of vesting conditions, performance conditions and/or exercise conditions (if any) as determined by the Board in its sole and absolute discretion.

Eligibility

At the discretion of the Board, a person who is a full time or part time employee of the Company or a Related Body Corporate (as defined in the Corporations Act), or is a director who holds a salaried employment or office in the Company or a Related Body Corporate (**Group Company**), is permitted to participate in the Plan. Non-executive Directors of the Company are not eligible to participate in the Plan.

A consultant or contractor of a Group Company that is a corporation **and** all of the member of the corporation are employees of a Group Company or directors of a Group Company who hold a salaried employment or office in a Group Company (**Consultant**) may also be permitted to participate in the Plan **but only if** the Company obtains specific relief from ASIC to extend the relief given by ASIC Class order 03/184 (or any amendment to or replacement of that class order) to the Consultant or the relief given by that class order (or any amendment to or replacement of that class order) extends to the Consultant.

People eligible to participate in the Plan are called “**Eligible Persons**”. The Board may make an offer under the Plan to another party nominated by an Eligible Person (for example, the Eligible Person’s (a) spouse; (b) biological or legally adopted child of at least 18 years of age; (c) trustee(s) of a trust set up wholly for the benefit of one or more Eligible Persons or a persons mentioned in (a) or (b); or (d) a company that is wholly-owned by an Eligible Person and/or other person(s) mentioned in (a) to (c) above or any other person approved by the Board provided that the person is an ‘associate’ as defined in the *Income Tax Assessment Act 1936* (Cth)) (**Nominated Party**).

A “**Participant**” is an Eligible Person or Nominated Party to whom an Award has been granted.

Payment for Awards

Participants are not required to pay anything for the grant of Options, Performance Rights or Performance Share Rights. However, Participants are required to pay for Performance Shares. Participants are required to pay for the exercise of Options and the conversion of Performance Share Rights.

Loans to fund acquisition of Shares

An offer for Performance Shares or Performance Share Rights must include an offer for the provision of a loan to fund the acquisition of the Performance Shares, or to fund the conversion of Performance Share Rights. For the avoidance of doubt, acceptance of an offer of Performance Shares or Performance Share Rights by a Participant will also constitute acceptance of the loan offer.

The Company may, in its sole and absolute discretion, make an offer to provide a loan for the sole purpose of funding the exercise of Options.

A loan offer can only be accepted by a natural person who is an Eligible Person, and in the name of the Eligible Person, and will be made on the following terms and conditions:

- (a) Any loan shall be applied by the Company directly toward payment of the Shares to be acquired by the Eligible Person (**Loan Shares**).
- (b) Loans will be interest free. The term of the loan and the manner for making payments under the loan shall be determined by the Board and set out in the loan offer.
- (c) Any fees, charges and stamp duty payable in respect of a loan will be payable by the Eligible Person or if approved by the Board in its sole and absolute discretion, added to the value of the loan.
- (d) The loan will be a limited recourse loan. This means the amount repayable will be the lesser of:
 - (i) the issue price for the Loan Shares (which will be equal to the issue price in the case of Performance Shares, the exercise price in the case of Options and the conversion price in the case of Performance Share Rights) multiplied by the number of Loan Shares issued less any cash dividends paid in respect of Loan Shares and applied to the loan and any repayments made by the Eligible Person; and
 - (ii) if the Loan Shares are sold by the Company, the amount realised by the Company from the sale.
- (e) Once Loan Shares are sold by the Company, or a loan is repaid in full, the Loan is fully satisfied and the Eligible Person has no further liability to the Company in respect of the loan.
- (f) Cash dividends which are paid on Loan Shares will be applied by the Company towards repayment of the loan and any surplus of the cash dividend will be paid to the Eligible Person. The proceeds from the sale of rights that an Eligible Person elects to sell in a renounceable rights issue will also be applied by the Company towards repayment of the loan.
- (g) A loan can be repaid at any time prior to expiry of the loan term.
- (h) If the Eligible Person holds Loan Shares that have vested and fails to satisfy any of the terms of the loan; dies or suffers a permanent disability; becomes bankrupt; or ceases to be employed, engaged or hold office with any Group Company, then the Eligible Person may elect, by serving written notice on the Company within one month (this period may be extended to 12 months or longer if the Eligible Person becomes bankrupt or is otherwise a "Good Leaver" as defined in the Plan) from the date of happening of any of the events referred to above to:
 - (i) immediately repay the loan in full; or
 - (ii) have the Company sell the vested Loan Shares in the ordinary course of trading on ASX. Any proceeds exceeding the loan amount will be paid to the Eligible Person.
- (i) If the Eligible Person fails to make an election within the time specified, the Eligible Person will be deemed to have elected to have the Company sell the vested Loan Shares.

- (j) If the Eligible Person holds unvested Loan Shares and fails to satisfy any of the terms of the loan or the Board determines the unvested Loan Shares will be forfeited in accordance with the terms of the Plan, then the unvested Loan Shares will be forfeited and dealt with as summarised below under the heading "Forfeiture".
- (k) Provided that the Board is of the opinion that the process from the sale of vested Loan Shares are reasonably likely to exceed the amount of a loan, it may permit an Eligible Person to sell vested Loan Shares before the loan attaching to those shares is repaid in full.

Until such time a loan is repaid in full, the Company will hold all certificates or holding statements for the Loan Shares, no security interest may be granted in or over the Loan Shares without Board approval, the Loan Shares cannot be transferred or sold except in accordance with the Plan and the Company can implement any procedure it considers appropriate to restrict the Eligible Person from having the Loan Shares transferred to another person including, without limitation, imposing a holding lock (as that term is defined in the Listing Rules) on all Loan Shares.

The Company will have a lien over the Loan Shares and, may take further security over the Loan Shares as security for the repayment of a loan.

Limits on number of Awards granted

Under the Plan rules, a maximum of 10% of total issued Shares are available for issue upon the exercise of Awards under the Plan. As at the date of the Notice there are 451,441,424 Existing Shares on issue, resulting in a maximum of 45,144,142 Shares available to be issued in respect of grants of Awards under the Plan. After the Capital Consolidation, there will be a maximum of 635,145,772 New Shares on issue, resulting in a maximum of 63,514,577 New Shares available to be issued in respect of grants of Awards under the Plan.

Further, the number of Shares to be received on the issue or conversion of Awards granted under the Plan at any time must not exceed the limit set in the Plan, being broadly 5% of the total number of issued Shares when aggregated with the number of Shares issued, or the subject of an Award issued, pursuant to an employee incentive scheme during the previous 5 years (less certain exempted offers). This limit is in accordance with the current ASIC Class Order 03/184 which provides disclosure, licensing, advertising and hawking relief for employee incentive schemes, that the Company may seek to rely on in connection with making offers under the Plan.

Entitlements of Participants

Unless otherwise resolved by the Board when it makes an offer of Performance Share, a Participant who holds Performance Shares is entitled to notice of a meeting of the Shareholders of the Company and may exercise any voting rights attaching to the Performance Shares registered in the Participant's name. The Board may determine, at the time of an offer of Performance Shares, whether the Participant is entitled to receive any dividends declared by the Company on unvested Performance Shares (including whether any such dividends are to be held in escrow until the Performance Shares are fully vested).

Unless otherwise resolved by the Board when it makes an offer, a Participant who holds Performance Shares has the same entitlement as any other Shareholder to

participate in a bonus issue, provided that if the Performance Shares are unvested Performance Shares and/or have any restrictions on sale imposed on them, any Shares issued to a Participant under the bonus issue will be subject to the Plan as if those shares were Performance Shares issued under the offer made to the Participant. If the Company announces a rights issue, a Participant can participate in the rights issue, and the Shares issued under the rights issue will not be subject to the Plan. If the rights are renounceable and a Participant declines, or does not respond to, the rights issue offer made by the Company, the Company may sell or otherwise deal with the Participant's rights.

Participants who hold Options, Performance Rights and/or Performance Share Rights are not entitled to receive notice of, or attend or vote at, meetings of Shareholders or the Company or receive any dividends declared by the Company. Nor do Options, Performance Rights and/or Performance Share Rights confer on the Participant the right to participate in new issues of Shares by the Company.

Adjustment for dividends

No adjustment will be made to the number of Performance Rights, Performance Share Rights or Options granted to a Participant under the Plan if dividends or other distributions are paid on the Shares prior to their vesting, exercise or conversion.

Vesting and exercise

Awards only vest if the applicable vesting conditions and performance conditions are satisfied, waived by the Board or are deemed to have been satisfied under the Plan. These vesting conditions and performance conditions are determined prior to the granting of such Awards by the Company. Vested Options will only be exercisable when any applicable exercise conditions have been satisfied, waived by the Board or are deemed to have been satisfied under the Plan.

Performance Shares

Participants must not dispose of, grant (or purport to grant) any security interest in or over, or otherwise deal with (or purport to dispose or deal with) a Performance Share until:

- (a) the Performance Share has vested;
- (b) the loan relating to the Performance Share has been repaid or discharged or arrangement for such repayment or discharge has been made to the satisfaction of the Board; and
- (c) any disposal restrictions on the Performance Share have expired.

While the Performance Share is subject to any of the restrictions above, Company may do such things and enter into such arrangements with the Company's share registry or otherwise as it considers necessary to enforce the restrictions, including but not limited to imposing a holding lock on the shares during the relevant restriction period.

Upon vesting, the Performance Shares become vested and cease to be subject to the vesting conditions and/or performance conditions that were applicable to the Performance Shares and cease to be subject to the forfeiture provisions described below under the heading "Forfeiture".

Options

The exercise price per Share in respect of an Option granted pursuant to the Plan will be determined by the Board. Options will expire on the date that is 5 years after the date of issue, or such other period determined by the Board. However, if the term of an Option would otherwise expire during, or within ten business days of the expiration of a period when the Participant is prohibited from trading in the Company's securities pursuant to the Company's written policies then applicable (eg. under a securities trading policy) (**Blackout Period**) then the Option's expiry date will be extended to the close of business on the tenth business day following the end of the Blackout Period.

Options can only be exercised during the exercise period specified in the invitation to participate in the Plan. The exercise period will commence when the Options have vested and any performance and/or exercise conditions have been satisfied, waived by the Board or deemed to have been satisfied in accordance with the Plan rules. Upon exercise, one Share in the Company will be issued to the Participant for each exercised Option. Participants will be required to pay an exercise price on the exercise of vested Options.

Performance Rights

Participants are not required to pay anything on the conversion of a vested Performance Right. Performance Rights granted under the Plan will have a term of five years, or such other period determined by the Board.

Upon vesting, Performance Rights will be converted automatically. Upon exercise of Performance Rights, Participants are entitled to one Share for each Performance Right converted.

Performance Share Rights

Participants are required to pay the Conversion Price on the conversion of a vested Performance Share Right. The Conversion Price will be satisfied by a loan provided by the Company to the Participant. Performance Share Rights granted under the Plan will have a term of five years, or such other period determined by the Board.

Upon vesting, Performance Share Rights will be converted automatically. Upon conversion of Performance Rights, Participants are entitled to one Share for each Performance Right converted.

Lapse of Awards

If a Participant is dismissed from office due to serious and wilful misconduct, a material breach of his or her contract of employment, engagement or office with any Group Company; gross negligence, or other conduct justifying termination of employment, engagement or office without notice either under the Participant's contract of employment or engagement or office, or at common law, acts in breach of any post-termination restrictions in his or her employment or engagement contract or is ineligible to hold office under Australian law:

- (a) unvested Performance Shares will be forfeited;
- (b) unvested Performance Rights and unvested Performance Share Rights will lapse;

- (c) vested Options that have not been exercised will lapse on the date of cessation of employment or office.

If a Participant's employment or engagement with a Group Company ceases in any other circumstances (including due to death, permanent incapacity, redundancy, resignation or retirement):

- (a) unvested Performance Shares will be forfeited;
- (b) vested Options that have not been exercised will continue to force and remain exercisable, subject to the satisfaction of any applicable exercise conditions until the expiry date; and
- (c) unvested Performance Rights and unvested Performance Share Rights will lapse.

In addition, where in the opinion of the Board a Participant acts fraudulently or dishonestly or is in material breach of his or her obligations to any Group Company then the Board can determine in its discretion that:

- (a) all vested or unvested Performance Shares will be forfeited;
- (b) all unvested Performance Rights and/or vested or unvested Options and/or unvested Performance Share Rights will lapse; and/or
- (c) where any Shares issued under the Plan have been sold by the Participant, require the Participant to pay all or part of the net proceeds of that sale to the Company.

Forfeiture of Performance Shares

Unless determined otherwise by the Board, unvested Performance Shares will be forfeited on the earlier of:

- (a) cessation of employment or engagement of a Participant;
- (b) the day the Board makes a determination that the Performance Shares are forfeited as contemplated above in paragraph (j) under the heading "Loans to fund acquisitions of Shares" and under the heading "Lapse of Awards";
- (c) if any applicable vesting conditions and/or performance conditions are not achieved by the relevant time; or
- (d) if the Board determines in its sole and absolute discretion that any applicable vesting conditions and/or performance conditions have not been met and cannot be met.

A Participant is deemed to have agreed to the Company:

- (a) selling forfeited Performance Shares in the ordinary course of trading on ASX;
- (b) buying-back the forfeited Performance Shares pursuant to an employee share scheme buy-back; or
- (c) dealing with the forfeited Performance Shares in any other manner determined by the Board from time to time.

No consideration or compensation is payable to a Participant for or in relation to the forfeiture of Performance Shares under the Plan.

Change of control events

On the occurrence of a Change of Control Event (as defined in the Plan, which includes an unconditional takeover offer, a court approved scheme of arrangement, a merger resulting in the current Shareholders being entitled to less than 50% of the shares of the merged entity, the Company or its Related Bodies Corporate agreeing to sell a majority of its business or assets or a determination of the Board that control of the company has or is likely to change), the Board may in its sole and absolute discretion determine that all or a percentage of:

- (a) unvested Performance Shares will vest;
- (b) unvested Options become exercisable within the 14 day period of being notified that the Options have vested. If the Options are not exercised in that 14 day period the Options shall lapse, subject to the completion of the Change of Control Event (unless the Board determines otherwise);
- (c) unvested Performance Rights will vest and be automatically converted. Those Performance Rights that the Board does not determine should vest will lapse on the date of the relevant Change of Control Event;
- (d) unvested Performance Share Rights will vest and be automatically converted. Those Performance Share Rights that the Board does not determine should vest will lapse on the date of the relevant Change of Control Event.

Capital events

If there are variations to the share capital of the Company including a variation or rights issue, sub-division, consolidation, reduction, return or cancellation of share capital, a demerger (in whatever form) or other distribution in specie, the Board may:

- (a) adjust the number of Performance Shares issued under the Plan in accordance with the Listing Rules;
- (b) adjust the number of Options issued under the Plan, and the Options exercise price, in accordance with the Listing Rules;
- (c) adjust the number of Performance Rights issued under the Plan in accordance with the Listing Rules; and
- (d) adjust the number of Performance Share Rights issued under the Plan, and the Conversion Price, in accordance with the Listing Rules.

Amendments to the Plan

Subject to the Listing Rules and the Company's Constitution, the Board may amend the terms of the Plan or the terms upon which any Awards have been granted under the Plan, including the following amendments, which may be made without Shareholder approval:

- (a) amendments of a "housekeeping" nature;

- (b) changing the vesting or exercise provisions of the Plan or any Award provided the change does not entail an extension beyond the original expiry date) including to provide for accelerated vesting and early exercise of any Awards deemed necessary or advisable in the Board's discretion;
- (c) changing the early termination provisions of the Plan or any Award (provided the change does not entail an extension beyond the original expiry date);
- (d) the addition of a cashless exercise feature payable in cash or securities;
- (e) changing the provisions on transferability of awards for normal estate settlement purposes;
- (f) any amendments to the process by which a Participant can exercise his or her Award; and
- (g) the addition of a conditional exercise feature which would give Participants the ability to conditionally exercise in certain circumstances determined by the Board.

No amendment or revision to the Plan or Awards granted under the Plan which materially reduces the rights of any Participant in respect of any Award granted prior to the date of the amendment can be made without the written consent of the Participants, unless the amendment was introduced primarily: (i) to comply with any applicable laws or present or future legislation; (ii) to correct any manifest error or mistake; (iii) to allow the implementation of a trust arrangement in relation to the holding of Shares granted under the Plan; or (iv) to take into consideration possible adverse taxation implications for the Company in respect of the Plan and Awards granted under the Plan.

In addition, no amendments to the Plan to increase the maximum number of Shares reserved for issue, to reduce the exercise price for any outstanding Option, to extend the period during which an Option may be exercised or to amend the amendment provision of the Plan can be made without first obtaining the approval of a majority of the Company's Shareholders.

3. GENERAL MEETING

3.1 *Action to be taken by the Existing Shareholders*

In order to proceed with the Proposed Transaction, the Company must convene a General Meeting of Existing Shareholders for the purposes of passing the Resolutions in compliance with the requirements of the Listing Rules and the Corporations Act.

The Notice of Meeting convening the General Meeting is included at the front of this booklet. Existing Shareholders are encouraged to attend and vote in favour of each of the Resolutions to be put at the General Meeting.

If an Existing Shareholder is not able to attend and vote at the General Meeting, the Existing Shareholder is encouraged to complete the proxy form at the back of this booklet and return it to the Company at the address stated on the proxy form not later than 48 hours before the time specified for the commencement of the General Meeting.

3.2 *General Meeting Resolutions*

There are 17 Resolutions to be put the General Meeting. Resolutions 1 to 6(b), and 8(a) to 11(b) are ordinary resolutions. Resolution 7 is a special resolution.

All of the Resolutions in the Notice of Meeting are conditional on the passing of each of the other of those Resolutions, so that those Resolutions will not have any effect unless all of the Resolutions are passed.

Certain voting restrictions are imposed in relation to some of the Resolutions as detailed in the accompanying Notice of Meeting under the heading "Voting Exclusion Statement".

An explanation of each Resolution is set out below in this section 3.

3.3 *RESOLUTION 1: Capital Consolidation*

Subject to the passing of Resolutions 2 to 11(b) (inclusive), Resolution 1 is an ordinary resolution that proposes that the issued capital of the Company be altered by consolidating the Existing Shares on a 4 for 1 basis. The Record Date for determining the consolidation of capital will be 6 Business Days after the date of the General Meeting at which the Resolution is passed. Any fractional entitlements as a result of holdings not being evenly divisible by 4 will be rounded up to the nearest whole number. Section 254H of the Corporations Act enables a company to convert all of its ordinary securities into a smaller number of securities by a resolution passed at a general meeting. The conversion proposed by Resolution 1 is permitted under section 254H of the Corporations Act. For more information in this regard, see section 5.1.

The consolidation will not result in any change to the substantive rights and obligations of Existing Shareholders of the Company. The purpose of the consolidation of the existing issued capital of the Company is to reduce the number of Existing Shares on issue, which is considered to be a more appropriate capital structure for the Company going forward, and to enable the Company to satisfy Chapters 1 and 2 of the ASX Listing Rules and obtain re-quotation of the Shares on ASX. For example, a Shareholder currently holding 10,000 Existing Shares will as a

result of the consolidation hold 2,500 New Shares. The Company's balance sheet and tax position will remain unaltered as a result of the consolidation. However, the Company's issued capital shall as a result of the consolidation be as set out below.

The Capital Consolidation will only occur if all the conditions to the Proposed Transaction are satisfied or waived, and if the Existing Directors are satisfied that the reinstatement of the Shares to quotation can be achieved as contemplated by the Proposed Transaction.

Shares

At the date of this Explanatory Statement, the Company has 451,441,424 Existing Shares on issue. The consolidation on a 1 for 4 basis will reduce the number of fully paid Shares on issue to 112,860,356 New Shares.

Holding statements

Following the consolidation, all holding statements for Existing Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares (on a post-Capital Consolidation basis).

After the Capital Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to Shareholders.

Timetable for Capital Consolidation

If Resolution 1 is passed, the Capital Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A, paragraph 5, of the Listing Rules):

Event	Anticipated Date
Company notifies ASX that Shareholders have approved the Capital Consolidation	25 September 2014 (Business day 0)
Trading would normally commence in the reorganised Shares on a deferred settlement basis	29 September 2014 (Business day 2)
Last day for the Company to register transfers on a pre-Capital Consolidation basis	1 October 2014 (Business day 6)
Securities registered on a post-Capital Consolidation basis	2 October 2014 (Business day 7)
Dispatch of new holding statements for New Shares	9 October 2014 (Business day 11)

The above dates are indicative only and are subject to change.

3.4 **RESOLUTION 2: Change in nature and scale of activities of the Company**

Subject to the passing of Resolutions 1 and 3(a) to 11(b) (inclusive), Resolution 2 is an ordinary resolution which seeks approval for the change of the Company's nature and scale of activities as a result of the Proposed Transaction. For more information in this regard, see section 5.2.

The Company entered into a conditional Sale and Purchase Agreement to acquire 100% of the issued capital of iWebGate, as described in section 2.3. Under the terms of the Sale and Purchase Agreement the Company proposes to acquire 100% of the issued capital of iWebGate. For further information on the Proposed Transaction, see section 2.

3.5 RESOLUTIONS 3(a) and 3(b): Issue of consideration to Related iWG Vendors and Unrelated iWG Vendors

Subject to the passing of Resolutions 1 and 2 and Resolutions 4 to 11(b) (inclusive):

- (a) Resolution 3(a) is an ordinary resolution which seeks the approval for the issue of 118,014,445 New Shares to the Related iWG Vendors, as part of consideration for the Proposed Transaction, as summarised in section 2.
- (b) Resolution 3(b) is an ordinary resolution which seeks the approval for the issue of 347,958,471 New Shares to the Unrelated iWG Vendors, as part of the consideration for the Proposed Transaction, as summarised in section 2.

All of the Shares proposed to be issued under Resolutions 3(a) and 3(b) will be issued under the Prospectus.

Each of the iWG Vendors do not consider they will be Associates of one another after the New Shares are issued to them, and therefore do not consider that their Voting Power in the Company will exceed 20% following completion of the Proposed Transaction. However, at the point in time when the New Shares are issued, the iWG Vendors will be considered Associates of one another as a consequence of participating in the Proposed Transaction and agreeing to sell their shares in iWebGate to the Company. Accordingly, the Company is seeking the approval of Shareholders under item 7 of section 611 of the Corporations Act, for the purposes of Chapter 6 of the Corporations Act because at the time of issue of the New Shares under Resolutions 3(a) and 3(b), the iWG Vendors will hold Voting Power in the Company of up to a maximum of:

- (a) 78.20%, assuming that \$5 million is raised under the Capital Raising;
- (b) 75.05%, assuming that \$15 million is raised under the Capital Raising; and
- (c) 73.57% assuming that \$20 million is raised under the Capital Raising.

For more information in this regard, see sections 2.17, 5.5 and 5.6 and Annexure 1.

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval, unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act. The Related iWG Vendors are related parties of the Company, as they are controlled respectively by Mr Timothy Gooch and Mr Mark Harrell (the Proposed Directors). For further information on the Related iWG Vendors, see sections 2.17(a)(i) and 2.17(a)(ii). The Unrelated iWG Vendors are not related parties of the Company.

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders in respect of Resolution 3(a):

- (a) The related parties to whom Resolutions 3(a) would permit a financial benefit to be given are Mr Mark Harrell as trustee for Harrell Family Trust, and Talks One Pty Ltd as trustee for the Gooch Family Trust. The Related iWG Vendors are related parties of the Company, as they are controlled respectively by Mr Timothy Gooch and Mr Mark Harrell (the Proposed Directors). For further details, see sections 2.17(a)(i) and 2.17(a)(ii).
- (b) The nature of the financial benefit to be given is the issue of 118,014,445 New Shares to the Related iWG Vendors pursuant to Resolution 3(a), which are to be issued pursuant to the Sale and Purchase Agreement as described in section 2.3, and under the Prospectus. The quantum of the benefit will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation).
- (c) Please refer to section 4.6 for the Existing Directors' voting recommendations, and for further reasoning at section 2.11.
- (d) Please refer to section 4.2 for the interests of the Existing Directors. In particular, Mr Adam Sierakowski's and Mr KC Dennis Ong's interests relate to their involvement with Trident.
- (e) The Related iWG Vendors have no existing interests in the Company, other pursuant to the Proposed Transaction.
- (f) Shareholders should note, if Resolution 3(a) is approved and the New Shares are issued to the Related iWG Vendors, Shareholders' holdings will be diluted as compared to their holdings and the number of Existing Shares on issue as at the date of this Explanatory Statement. The potential effects on the capital structure of the Company of the New Shares to be issued pursuant to the Resolutions, which include the New Shares to be issued under Resolution 3(a) are outlined in the table at section 2.16.

Unless one of the exceptions in Listing Rule 10.12 applies, Listing Rule 10.11 requires that an entity must not issue or agree to issue equity securities to a related party of the Company unless it obtains prior Shareholder approval. Listing Rule 10.12 exception 6 provides that where a person is only a related party by reason of the transaction which is the reason for the issue of the securities and the application of section 228(6) of the Corporations Act, Listing Rule 10.11 shall not apply. The Related iWG Vendors are only related parties of the Company by reason of the Proposed Transaction which is the reason for the issue of New Shares to them and the application of section 228(6) of the Corporations Act. As a result, Shareholder approval under Listing Rule 10.11 is not required for the purposes of Resolution 3(a).

In accordance with Appendix 9B of the Listing Rules, some of the New Shares issued under Resolutions 3(a) and 3(b) will be classified by the ASX as "restricted securities" and unable to be traded for periods of up to 24 months. It is expected that of the total 465,972,916 New Shares to be issued under Resolutions 3(a) and (b) that 303,008,973 New Shares will be escrowed for a period of 24 months from the date of the Company's re-quotation on ASX, and 3,375,032 New Shares will be escrowed from the date of the Company's re-quotation on ASX until December 2014.

3.6 RESOLUTION 4: Issue of New Shares pursuant to the Capital Raising

Subject to the passing of Resolutions 1 to 3(b) (inclusive) and Resolutions 5 to 11(b) (inclusive), Resolution 4 is an ordinary resolution which seeks approval for the issue

of 37,500,000 New Shares to raise \$15,000,000, with a minimum subscription of at least 12,500,000 New Shares to raise at least \$5,000,000 and with provision to accept oversubscriptions of up to 50,000,000 New Shares to raise up to \$20,000,000, under the Prospectus. For further information on the capital raising, see section 2, and in particular sections 2.16 and 2.20.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of securities to be issued by the Company under Resolution 4 is 50,000,000 New Shares;
- (b) the New Shares will be issued on one date, no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules);
- (c) the issue price for the New Shares issued pursuant to Resolution 4 is \$0.40 per New Share;
- (d) the New Shares will be issued to participants in the Capital Raising who (other than the Existing Directors) will be members of the public who are not related parties of the Company, and otherwise will be determined at the sole discretion of the Board;
- (e) the New Shares are ordinary fully paid shares and will rank equally in all respects with the Existing Shares (post- Capital Consolidation);
- (f) the intended use of the funds raised is set out at Section 2.20; and
- (g) pursuant to and in accordance with Listing Rules 7.3 and 14.11, a voting exclusion statement is included in the Notice of Meeting.

3.7 RESOLUTION 5: Right to apply under the Prospectus by Existing Directors

Subject to the passing of Resolutions 1 to 4 (inclusive) and Resolutions 6(a) to 11(b) (inclusive), Resolution 5 is an ordinary resolution which seeks approval for the Existing Directors (or their nominees) to participate in the Capital Raising by subscribing for up to 500,000 New Shares each. Existing Director participation in the Capital Raising will be on exactly the same terms as the participation by unrelated parties in the Capital Raising.

As the Existing Directors are Related Parties of the Company, Resolution 5 must be approved by Shareholders under section 208(1) of the Corporations Act and Listing Rule 10.11 so that any Existing Directors can participate in the Capital Raising. For more information in this regard, see sections 5.3 and 5.4.

Approval is also being sought under section 195(4) of the Corporations Act because each of the Existing Directors has a material personal interest in the outcome of Resolution 5. Accordingly, the Directors have exercised their right under section 195(4) of the Corporations Act to put Resolution 5 to Shareholders to determine. For more information in this regard, see section 5.9.

For the purposes of Listing Rule 10.13, the following information is provided to Shareholders in respect of Resolution 5.

- (a) the persons whom the Company will issue New Shares under Resolution 5 are any Existing Directors or their nominees who apply for New Shares under the Prospectus for the Capital Raising. The Existing Directors are directors of the Company. For further information, see section 2.2. Although it is proposed that Messrs Ong and Wolanski will resign following completion of the Proposed Transaction;
- (b) the maximum number of New Shares that may be issued under Resolution 5 is 1,500,000 New Shares. These New Shares form part of the New Shares that are being approved under Resolution 4, and are not in addition to those New Shares;
- (c) the New Shares will be issued under Resolution 5 within one (1) month of the General Meeting;
- (d) the issue price for the New Shares issued pursuant to Resolution 5 is \$0.40 per New Share;
- (e) the New Shares to be issued under Resolution 5 are ordinary fully paid shares in the Company which on issue will rank equally in all respects with the Existing Shares in the Company (post-Capital Consolidation); and
- (f) the intended use of the funds raised by the Capital Raising is set out at section 2.20.

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders in respect of Resolution 5:

- (a) The related parties to whom Resolution 5 would permit a financial benefit to be given are the Existing Directors, whose details are set out in section 2.2.
- (b) The nature of the financial benefit to be given is the 500,000 New Shares that may be issued to each of the Existing Directors pursuant to Resolution 5, which are to be issued on the basis and terms set out in section 3. The quantum of the benefit will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation).
- (c) As set out at section 4.6, the Existing Directors have declined to make a recommendation on Resolution 5 due to their interests in the Resolution. The Existing Directors' interests in the outcome of the Resolution are that they may apply for, and be issued, New Shares as part of the Capital Raising.
- (d) Please refer to section 4.2 for the Existing Directors' interests in the Company.
- (e) To date the Existing Directors have not received any remuneration from the Company and as at the date of this Notice of Meeting no decision has been made as to what (if any) remuneration will or may be provided to the Existing Directors and (subject to any necessary approvals) any such decision will be announced at the relevant time. Other than as set out in this Explanatory Statement, there is no further information which the Shareholders would reasonably require in order to decide whether or not it is in the Company's interests to pass Resolution 5.

- (f) Shareholders should note, if Resolution 5 is approved and the New Shares are issued to the Existing Directors, Shareholders' holdings will be diluted as compared to their holdings of Existing Shares as at the date of this Explanatory Statement. The potential effects of the Capital Raising on the capital structure of the Company are outlined in the table at section 2.16.

3.8 RESOLUTIONS 6(a) and 6(b): Issue of Facilitation Shares

Subject to the passing of Resolutions 1 to 5 (inclusive) and Resolutions 6(b) to 11(b) (inclusive), Resolution 6(a) is an ordinary resolution and seeks Shareholder approval for the issue of 2,500,000 Facilitation Shares to Trident (and/or its nominees) under the Prospectus.

Subject to the passing of Resolutions 1 to 6(a) (inclusive) and Resolutions 7 to 11(b) (inclusive), Resolution 6(b) is an ordinary resolution and seeks Shareholder approval for the issue of 2,500,000 Facilitation Shares to SCM (and/or its nominees) under the Prospectus.

Resolution 6(a) - Trident

The Company has entered into an agreement with Trident for the provision of corporate advisory services by Trident to the Company, such as corporate advice and structuring, document preparation, engaging consultants and assisting with capital raising activities. The Company has agreed to pay Trident a corporate advisory fee of \$25,000 plus GST per month (which will revert back to \$15,000 plus GST per month upon completion of the Proposed Transaction), capital raising fees of 6% of the funds raised directly by Trident for any future capital raisings, a facilitation fee of 5% of the value of any additional asset or project introduced by Trident that is acquired by the Company, and all reasonable out-of-pocket expenses. The facilitation fee payable to Trident is to be satisfied in full via the issue of shares pursuant to Resolution 6(a).

Trident is a Related Party of the Company due to Mr Adam Sierakowski being a director of both the Company and Trident, and being responsible for the day to day management and control of Trident, further details of which are set out at section 4.2. As Trident is a Related Party of the Company, Resolution 6(a) must be approved by Shareholders under section 208(1) of the Corporations Act and Listing Rule 10.11. For more information in this regard, see sections 5.3 and 5.4.

For the reasons set out in section 4.2, Messrs Sierakowski and Ong have a material personal interest in the outcome of Resolution 6(a). Accordingly, the Directors have exercised their right under section 195(4) of the Corporations Act to put Resolution 6(a) to Shareholders to determine. For more information in this regard, see section 5.9.

The legal requirements in respect of Listing Rule 10.11 are set out in section 5.3.

For the purposes of Listing Rule 10.13, the following information is provided to Shareholders in respect of Resolution 6(a).

- (a) the person whom the Company will issue New Shares under Resolution 6(a) is Trident (and/or its nominees);
- (b) the maximum number of New Shares to be issued under Resolution 6(a) is 2,500,000 New Shares;

- (c) the New Shares will be issued under Resolution 6(a) within one (1) month of the General Meeting;
- (d) the New Shares issued pursuant to Resolution 6(a) will be issued at a deemed issue price of \$0.04. This reflects the issue price of \$0.01 agreed in the Sale and Purchase Agreement (further described at section 2.3), after allowing for the Capital Consolidation;
- (e) Mr Adam Sierakowski is both a director of the Company and a director, and responsible for the day to day management and control, of Trident;
- (f) the New Shares to be issued under Resolution 6(a) are ordinary fully paid shares which on issue will rank equally in all respects with the Existing Shares in the Company (post-Capital Consolidation); and
- (g) no funds will be raised by the issue of the Facilitation Shares under Resolution 6(a) as the Facilitation Shares will be issued in consideration of Trident facilitating the Proposed Transaction.

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders in respect of Resolution 6(a):

- (a) The related party to whom Resolutions 6(a) would permit a financial benefit to be given is Trident. Trident has been retained as corporate advisor to the Company, as described above in this section 3.8. In addition, Mr Adam Sierakowski is responsible for the management and control of Trident, and is a director of Trident. Mr Adam Sierakowski is also the Chairman of the Company. For further details, see section 4.2.
- (b) The nature of the financial benefit to be given is the 2,500,000 Facilitation Shares that may be issued to Trident pursuant to Resolution 6(a), which are to be issued pursuant to the Company's agreement with Trident as described in this section 3.8. The quantum of the benefit will depend in part on the price at which the Shares trade on ASX (assuming the Shares are re-instated to official quotation).
- (c) Please refer to section 4.6 for the Existing Directors' voting recommendations.
- (d) Please refer to section 4.2 for the interests of Existing Directors, Mr Adam Sierakowski and Mr KC Dennis Ong, in the outcome of Resolution 6(a) which relate to their involvement with Trident.
- (e) Trident has no existing interests in the Company, other than pursuant to the agreement summarised in this section 3.8.
- (f) Shareholders should note, if Resolution 6(a) is approved and the Facilitation Shares are issued to Trident, Shareholders' holdings will be diluted as compared to their holdings and number of Existing Shares as at the date of this Explanatory Statement. The potential effects on the capital structure of the Company of the New Shares to be issued pursuant to the Resolutions, which include the Facilitation Shares to be issued under Resolution 6(a), are set out in the table at section 2.16.

Resolutions 6(b) - SCM

Pursuant to the terms of the Sale and Purchase Agreement, the Company has agreed to issue 2,500,000 New Shares to SCM in respect of corporate advisory services for facilitating the Proposed Transaction.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to Resolution 6(b):

- (a) the maximum number of securities to be issued by the Company under Resolution 6(b) is 2,500,000 Facilitation Shares;
- (b) the Facilitation Shares to be issued pursuant to Resolution 6(b) will be issued on one date no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver of the Listing Rules);
- (c) the Facilitation Shares issued pursuant to Resolution 6(b) will not be issued at a deemed issue price of \$0.04. This reflects the issue price of \$0.01 agreed in the Sale and Purchase Agreement (further described at section 2.3), after allowing for the Capital Consolidation;
- (d) the person whom the Company will issue New Shares under Resolutions 6(b) is SCM (and/or its nominees);
- (e) the Facilitation Shares to be issued pursuant to Resolution 6(b) will rank equally in all respects with the Existing Shares (post-Capital Consolidation);
- (f) no funds will be raised by the issue of the Facilitation Shares to be issued pursuant to Resolution 6(b) as they will be issued as consideration for corporate advisory services for facilitating the Proposed Transaction; and
- (g) pursuant to and in accordance with Listing Rules 7.3 and 14.11, a voting exclusion statement is included in the Notice of Meeting.

In accordance with Appendix 9B of the Listing Rules, all Facilitation Shares issued under Resolutions 6(a) and 6(b) will be escrowed for a period of 24 months from reinstatement of the Company's securities on ASX.

3.9 RESOLUTION 7: Change of Company Name

Subject to the passing of Resolutions 1 to 6(b) and Resolutions 8(a) to 11(b) (inclusive), Resolution 7 is a special resolution which seeks approval for the Company to change its name. Subject to the resolutions being passed and the completion of the acquisition of iWebGate and consistent with the new focus and direction of the Company, the Company proposes to change its name from "My ATM Holdings Limited" to "iWebGate Limited". This change will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

Shareholder approval is required for Resolution 7 under section 157 of the Corporations Act by special resolution. For more information in this regard, see section 5.10.

The Company will make an application to ASIC for the change of name to "iWebGate Limited". The new name will take effect upon a new certification of registration being

issued. The Company will not apply to change its name with ASIC until completion of the acquisition of iWebGate.

3.10 RESOLUTIONS 8(a) and 8(b): Appointment of Proposed Directors

Subject to the passing of Resolutions 1 and 7 and Resolutions 9 to 11(b) (inclusive), Resolutions 8(a) and 8(b) are ordinary resolutions and provide for the approval of the appointment of the Proposed Directors to the Board under separate Resolutions. The appointment of the Proposed Directors will become effective only on and from the date on which the Proposed Transaction is completed. Profiles of the Proposed Directors are set out at section 2.22.

3.11 RESOLUTION 9: Approval of iWebGate Employee Incentive Plan

Subject to the passing of Resolutions 1 to 8(b) (inclusive), and Resolutions 10 to 11(b) (inclusive) Resolution 9 is an ordinary resolution and provides for the approval of the proposed incentive plan of the Company. A copy of the proposed iWebGate Limited Employee Incentive Plan is included as Annexure 3 (**Plan**), and a summary of the Plan is set out in section 2.23. No securities have been issued under this Plan. However, if the Plan is approved, the Board intends to include in the Prospectus the ability to issue up to 3,000,000 Incentive Options to eligible employees of the Company and its related bodies corporate (which will include the iWG Group after completion of the Proposed Transaction). Resolutions 10(a) and 10(b) also relate to the proposed issue of Incentive Options under the Plan to the Proposed Directors. This is the first approval sought under Listing Rule 7.2 Exception 9 with respect to the Plan. A voting exclusion statement has been included for the purpose of Resolution 9.

The Plan forms what the Board considers to be a key element of the Company's total remuneration strategy for eligible employees. Awards under the Plan will be in the form of Performance Shares, Options, Performance Rights and Performance Share Rights.

The primary objectives of the Plan are to:

- (a) establish a method by which eligible employees can participate in the future growth and profitability of the Company;
- (b) to provide an incentive and reward for eligible persons for their contribution to the Company; and
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

Under the Plan, the Board may provide loans to participants to fund the acquisition of Performance Shares, the exercise of Options or the conversion of Performance Share Rights.

The Directors do not consider that the giving of the financial assistance will be likely to materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors.

As the loan funds will be used for payment of the issue price for Performance Shares, the exercise price payable on exercise of Options or the conversion price payable on the conversion of Performance Share Rights, the funds will be immediately returned

to the Company in the form of subscription money. The granting of the loans will therefore have no effect on the Company's cashflow (other than in respect of any costs associated with the granting of the loans which are not expected to be material).

The financial assistance will assist employees (including salaried Directors) to participate in the Plan by subscribing for Performance Shares, exercising Options or converting Performance Share Rights that they hold.

The success of the Company and its Shareholders depends greatly on the people employed by the Company. To maintain and improve performance, the Company has an ongoing need to motivate, incentivise and retain an experienced and dedicated management team and key employees.

The provision of the financial assistance when used as part of the Plan provides additional means to achieve the goals of the Plan as outlined above.

For further information, see Sections 5.11, 5.12 and 5.13.

3.12 *RESOLUTIONS 10(a) and 10(b): Approval of Issue of Options to Proposed Directors under the iWebGate Limited Employee Incentive Plan.*

Subject to the passing of Resolutions 1 to 9 (inclusive) and Resolutions 10(b) to 11(b) (inclusive), Resolutions 10(a) is an ordinary resolution that provides for the approval for the grant of Incentive Options by the Company to Timothy Gooch pursuant to the Plan for the purposes of ASX Listing Rule 10.14 and section 208 of the Corporations Act.

Subject to the passing of Resolutions 1 to 10(a) (inclusive) and Resolutions 11(a) to 11(b) (inclusive), Resolutions 10(b) is an ordinary resolution that provides for the approval for the grant of Incentive Options by the Company to Mark Harrell pursuant to the Plan for the purposes of ASX Listing Rule 10.14 and section 208 of the Corporations Act.

ASX Listing Rule 10.14 requires Shareholder approval before the following persons can acquire securities (which include options) in the Company under an employee incentive plan:

- (a) a Director;
- (b) an associate of a Director; and
- (c) a person whose relationship with the entity is, in the ASX's opinion, such that approval should be obtained.

When the Incentive Options are issued, the Proposed Directors will be Directors of the Company.

For the purposes of Chapter 2E of the Corporations Act, each of the Proposed Directors is a related party of the Company.

Resolutions 10(a) and 10(b) relate to the proposed grant of Incentive Options to the Proposed Directors, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

The number of Incentive Options to be issued and the exercise price are post-Capital Consolidation. Accordingly, neither the Incentive Options nor the exercise price will be adjusted as a consequence of the Capital Consolidation.

Information Requirements – Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, the following information is provided.

The related parties to whom the proposed Resolutions 10(a) and 10(b) would permit the financial benefit to be given and the nature of the financial benefit

Subject to Shareholder approval, the Incentive Options will be issued as set out in the table below. The proposed financial benefit to be given is the grant of Incentive Options for no consideration to the Proposed Directors. The Incentive Options have an exercise price that is a 125% premium above the closing price of Shares on ASX on the trading day before the General Meeting (**Exercise Price**).

The Board has determined the Exercise Price with regard to the market value of the Company's Shares, and considers 125% to be a suitable premium to meet the objectives of the proposed grant of Incentive Options to the Participating Directors as outlined on this page 47 of this Explanatory Statement. The premium has been determined with regard to the Capital Consolidation, given it is to be applied to a pre-Capital Consolidation Share price.

The table below illustrates the amounts that will need to be paid to the Company by the Proposed Directors if the Incentive Options are exercised, using the closing Share price on 12 August 2014. As noted in section 3.13, the Proposed Directors will also be offered loans to fund the exercise of the Incentive Options, subject to Shareholder approval.

Proposed Director	Number of Incentive Options	Amount to be paid (A\$)
Mr Timothy Gooch	1,750,000	\$875,000
Mr Mark Harrell	1,500,000	\$750,000
Total	3,250,000	\$1,625,000

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The proposed grant of Incentive Options to Messrs Gooch and Harrell will be subject to the terms of the Plan. If, however, there is any inconsistency between the terms of the Incentive Options as set out in Annexure 3 and the Plan, the terms as set out in Annexure 3 prevail to the extent of the inconsistency.

The grant of Incentive Options encourages the Proposed Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider that the incentives intended for the Proposed Directors represented by the grant of these Incentive Options are a cost effective and

efficient means for the Company to provide an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

Proposed Directors' Current Holdings

As at the date of this Notice, the Proposed Directors do not have a Relevant Interest in any securities of the Company.

If the Resolutions in this Notice are passed, the Proposed Directors will have a Relevant Interest in the following New Shares:

- (a) Timothy Gooch will have a Relevant Interest in 88,422,284 New Shares held by Talks One Pty Ltd as trustee for the Gooch Family Trust; and
- (b) Mark Harrell will have a Relevant Interest in 29,592,161 New Shares held by him as trustee for the Harrell Family Trust.

Dilution effect of grant of Incentive Options on existing members' interests

If passed, Resolutions 10(a) and 10(b) will give the Directors power to grant a total of 3,250,000 Incentive Options on the terms and conditions as set out in Annexure 3 to this Explanatory Statement and as otherwise mentioned above.

The Company currently has 451,441,424 Existing Shares on issue. However, at the time the Incentive Options are granted, the Company will have between 596,333,272 Shares and 633,833,272 Shares on issue.

If all Incentive Options granted as proposed above are exercised, the effect would be to dilute the shareholding of existing Shareholders by: 0.54% assuming \$5,000,000 is raised under the Capital Raising; 0.52% assuming \$15 million; 0.51% assuming \$20 million (calculated on a post-Capital Consolidation basis). The market price of the Company's Shares during the period of the Incentive Options will normally determine whether or not the Proposed Directors exercise the Incentive Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Incentive Options.

Proposed Directors' total remuneration package

The Proposed Directors' remuneration per annum (including superannuation) and the total financial benefit to be received by them in this current period, as a result of the grant of the Incentive Options the subject of Resolutions 10(a) and 10(b), are set out in the following table.

The indicative value of the Incentive Options is included in the table, the Incentive Options will not tradeable, the Incentive Options will not be transferrable, and the indicative value of the Incentive Options can only be realised by the party exercising the Incentive Options and a significant increase in the Share price.

Proposed Director	Salary p.a. incl superannuation (A\$)	Other remuneration p.a.	Value of Incentive Options (A\$)	Total Financial Benefit (A\$)
Mr Timothy Gooch	284,210 ¹	73,684 ¹	\$616,000	973,895

Mr Mark Harrell	210,000	6,800	\$528,000	744,800
-----------------	---------	-------	-----------	---------

1 Mr Timothy Gooch's salary and other remuneration are payable in US\$. Accordingly, for the purposes of the above disclosure, an exchange rate of 0.95 has been used.

The indicative option valuation of A\$0.352 per Incentive Option is a theoretical valuation of each Incentive Option using the Black & Scholes Model. To realise the indicative option value the party will have to exercise the option at A\$0.675 per Incentive Option and the market value increase to A\$1.03 per Share.

Valuation of Incentive Options

The Company's advisers have valued the Incentive Options to be granted to the Proposed Directors using the Black & Scholes Model. The value of an option calculated by the Black & Scholes Model is a function of a number of variables. The valuation of the Incentive Options has been prepared using the following assumptions:

Variable	Input
Share price	\$0.54
Exercise price	\$0.675
Risk Free Interest Rate	2.99%
Volatility	86%
Time (years to expiry)	5 years

The Company's advisers have calculated the value of each Incentive Option based on the following assumptions:

- (a) they have based the underlying value of each Share in the Company on the ASX closing price of A\$0.135 on the valuation date of 4 July 2014, adjusted to reflect the Capital Consolidation;
- (b) the exercise price used is a 125% premium on the ASX closing price of A\$0.135 on the valuation date of 4 July 2014;
- (c) risk free rate of return – 2.99% (based on the Australian Government 5-year bond rate as at the valuation date of 4 July 2014); and
- (d) they used a volatility of the Share price of 86% calculated by Hoadley's volatility calculator for 1, 2, 3, 4 and 5 year periods, using data extracted from Bloomberg.

Based on the above assumptions, the Company's advisers have calculated an indicative value of one Incentive Option to be granted to the Proposed Directors to be A\$0.352 (based on a volatility assumption of 86% to calculate the value of the Incentive Options).

Any change in the variables applied in the Black & Scholes calculation between the date of the valuation and the date the Incentive Options are granted would have an impact on their value.

No discount has been applied to the indicative value of an Incentive Option for the Incentive Option not being tradeable and for the Incentive Options not being transferable. The indicative value can only be realised upon the exercise of the Incentive Option and an increase in the market price of the Shares.

Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 12 August 2014:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
\$0.185 15 May 2014	\$0.004 3 October 2013 & 21 August 2013	\$0.10 12 August 2014

Other Information

Under the Australian Equivalent of the International Financial Reporting Standards (**IFRS**), the Company is required to expense the value of the Incentive Options in its statement of financial performance for the current financial year.

Please refer to Section 4.6 for the Existing Directors' voting recommendations. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolutions 10(a) and 10(b).

It is expected that the Incentive Options will be classified by the ASX as "restricted securities" and will be escrowed for a period of 24 months from the date the Company's Shares are reinstated to quotation on ASX following recompliance with Chapters 1 and 2 of the Listing Rules.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 10(a) and 10(b).

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) The Incentive Options will be issued to Mr Timothy Gooch and Mr Mark Harrell who are Proposed Directors of the Company, but will be Directors at the time the Incentive Options are granted.
- (b) Timothy Gooch will be issued with 1,750,000 Incentive Options under Resolution 10(a) and Mark Harrell will be issued with 1,500,000 Incentive Options under Resolution 10(b).

- (c) The Incentive Options will be issued for no consideration (but with an exercise price as described below).
- (d) Each Incentive Option entitles the holder to subscribe for one New Share in the Company at an exercise price equal to the price that is a 125% premium to the closing market price of Shares on ASX on the trading day before the date of the General Meeting, and will expire 5 years from the date of issue. The exercise price of the Incentive Options will be announced by the Company to ASX on the morning of the General Meeting. The terms and conditions of the Incentive Options are set out in Annexure 3.
- (e) The Proposed Directors will be offered a limited recourse loan by the Company to fund the exercise of the Incentive Options. A summary of the key terms of the loan are set out in section 3.13.
- (f) The persons referred to in Listing Rule 10.14 who are entitled to participate in the Plan are Timothy Gooch and Mark Harrell.
- (g) The Incentive Options will be granted on a date no later than 12 months after the General Meeting.
- (h) No Directors, or their permitted nominees, have received any securities under the Plan.

3.13 RESOLUTIONS 11(a) and 11(b): Approval to give a financial benefit by way of loan to Proposed Directors under the iWebGate Limited Employee Incentive Plan.

Subject to the passing of Resolutions 1 to 10(b) (inclusive) and Resolution 11(b), Resolutions 11(a) is an ordinary resolution that provides for the approval for the grant of financial assistance by way of loan by the Company to Timothy Gooch pursuant to the Plan, and otherwise on the terms and conditions set out in the Explanatory Statement, for the purposes of section 208 of the Corporations Act.

Subject to the passing of Resolutions 1 to 10(b) (inclusive) and Resolution 11(a), Resolutions 11(b) is an ordinary resolution that provides for the approval for the grant of financial assistance by way of loan by the Company to Mark Harrell pursuant to the Plan, and otherwise on the terms and conditions set out in the Explanatory Statement, for the purposes of section 208 of the Corporations Act.

As noted above in section 3.11 in relation to Resolution 9, the Plan permits the Company to grant financial assistance to employees (including salaried Directors) by way of a loan to enable them to exercise Incentive Options and acquire Shares.

The Board has resolved to, subject to obtaining Shareholder approval, grant the Proposed Directors a loan for the sole purpose of funding the exercise of the Incentive Options, the subject of Resolutions 10(a) and 10(b).

Any Shareholder approval that is obtained pursuant to these Resolutions 11(a) and 11(b) is valid only for a loan that is given within 15 months of the receipt of that Shareholder approval.

Financial assistance to the Proposed Directors

Subject to Shareholder approval, the Proposed Directors are eligible to receive a loan for the exercise of the Incentive Options granted to them under the terms of the Plan (**Loan**).

Chapter 2E (particularly section 208) of the Corporations Act requires Shareholder approval for the giving of financial benefits to a director, with the granting of options being an example of such a financial benefit. The granting of financial assistance by way of a loan to enable the exercising of the Incentive Options would also be classified as a financial benefit.

As the Proposed Directors would benefit from the granting of financial assistance under the Plan, Shareholder approval is sought pursuant to Chapter 2E of the Corporations Act to allow this grant of financial assistance to the Proposed Directors.

Section 208 of the Corporations Act provides that once shareholder approval is obtained a financial benefit must be given within 15 months of the date of shareholder approval.

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

The related party to whom the proposed resolution would permit the financial benefit to be given

Mr Timothy Gooch and Mr Mark Harrell, both Proposed Directors, are the related parties to whom the proposed Resolutions 11(a) and 11(b) would permit the financial benefit to be given.

The nature of the financial benefit

The financial benefit to be given is a loan to each of Timothy Gooch and Mark Harrell to enable them to exercise any of the Incentive Options granted to them under Resolutions 11(a) and 11(b) respectively, on the terms summarised below.

Amount of the financial benefit

The Proposed Directors will be able to accept the Loan in relation to the exercise of the Incentive Options, details of which are set out on pages 50 to 52.

Notwithstanding the approval of this Resolution, the maximum value of the loans that may be provided to each of the Proposed Directors under this Resolution or as previously approved by Shareholders, whilst each is a person specified in Listing Rule 10.1, must not, without further Shareholder approval, exceed an amount equal to or greater than 5% of the equity interests of the Company as set out in the latest accounts provided to the ASX at the time the loan(s) is provided.

The highest, lowest and latest closing prices of the Shares trading on the ASX over the past 12 months ending on 7 August 2014 are set out on page 48 of this Explanatory Statement.

Current Holdings

Please refer to pages 45 and 46 of this Explanatory Statement for a description of the Proposed Directors' current holdings.

Summary of key loan terms

The key terms of the loan are as follows:

- (a) **(Loan Amount):** The maximum amount of the Loan will be the amount that is equal to the Exercise Price multiplied by the number of Incentive Options held by the Proposed Director. Shares issued upon exercise of Incentive Options using loan funds are referred to as **Loan Shares**.
 - (b) **(Purpose):** The purpose of the Loan is to fund the exercise of Incentive Options held by the Proposed Director.
 - (c) **(Interest):** The Loan is interest free.
 - (d) **(Term):** The term of the Loan is 3 years from the date it is taken up.
 - (e) **(Repayment):** A Loan can be repaid at any time prior to expiry of the term. The Loan will be a limited recourse loan. This means the amount repayable will be the lesser of:
 - (i) the issue price for the Loan Shares (which will be equal to the exercise price in the case of the Incentive Options) multiplied by the number of Loan Shares issued less any cash dividends paid in respect of Loan Shares and applied to the loan and any repayments made by the Proposed Director; and
 - (ii) if the Loan Shares are sold by the Company, the amount realised by the Company from the sale.
- Once Loan Shares are sold by the Company, or a Loan is repaid in full, the Loan will be fully satisfied and the Proposed Director will have no further liability to the Company in respect of the Loan.
- Cash dividends which are paid on Loan Shares will be applied by the Company towards repayment of the loan and any surplus of the cash dividend will be paid to the Proposed Director. The proceeds from the sale of rights that a Proposed Director elects to sell in a renounceable rights issue will also be applied by the Company towards repayment of the loan.
- (f) **(Repayment triggers):** If a Proposed Director holds Loan Shares and fails to satisfy any of the terms of the loan; dies or suffers a permanent disability; becomes bankrupt; or ceases to be employed, engaged or hold office with any Group Company, then the Proposed Director may elect, by serving written notice on the Company within one month (this period may be extended to 12 months or longer if the Proposed Director becomes bankrupt or is otherwise a "Good Leaver" as defined in the Plan) from the date of happening of any of the events referred to above to: (i) immediately repay the loan in full; or (ii) have the Company sell the vested Loan Shares in the ordinary course of trading on ASX. Any proceeds exceeding the loan amount will be paid to the Proposed Director. If the Proposed Director fails to make an election within the time specified, the Proposed Director will be deemed to have elected to have the Company sell the Loan Shares.
 - (g) **(Holding Lock):** Until the Loan is repaid in full, the Company will hold all certificates or holding statements for the Loan Shares, no security interest

may be granted in or over the Loan Shares without Board approval, the Loan Shares cannot be transferred or sold except in accordance with the Plan and the Company can implement any procedure it considers appropriate to restrict the Eligible Person from having the Loan Shares transferred to another person including, without limitation, imposing a holding lock (as that term is defined in the Listing Rules) on all Loan Shares

- (h) **(Security):** The Company will have a lien over the Loan Shares and, may take further security over the Loan Shares as security for the repayment of a loan.
- (i) **(Early sale of Loan Shares):** Provided that the Board is of the opinion that the process from the sale of Loan Shares is reasonably likely to exceed the amount of the Loan, it may permit a Proposed Director to sell Loan Shares before the Loan attaching to those shares is repaid in full.

Total remuneration package of the Proposed Directors

The granting of the loan will form part of the total remuneration package granted to the Proposed Directors. For the financial year from 1 July 2014 to 30 June 2015, the Proposed Directors' total remuneration package is proposed to be as set out in the table on page 46 of the Explanatory Statement:

The proposed total remuneration package for each of the Proposed Directors for the financial year of 2014/2015 is considered by the Directors as being appropriate remuneration in light of their skills, qualifications, experiences and future duties in their respective roles as Chief Executive Officer (USA) and Managing Director (Asia Pacific) of the Company.

The value of the financial benefit

The financial benefit that the Proposed Directors are receiving is a limited recourse loan to fund the exercise of Incentive Options to enable them to acquire Shares.

In the event the Shares obtained under the loan are sold for an amount less than the amount of the loan, the Proposed Directors will only be required to repay the loan to the amount of the sale proceeds. In this event, the Proposed Directors would receive a financial benefit in the form of only being liable to repay an amount limited to the sales proceeds received.

In the event that the Shares obtained under the loan are sold for an amount greater than the amount of the loan and any interest, the Proposed Directors would be entitled to any excess of the sale proceeds over the amount of the loan and any interest. In this event, the Proposed Directors would have received a financial benefit as they were able to earn a capital gain on the Shares obtained by exercising the Incentive Options without having to fund the acquisition of the Shares with their own funding or alternatively with a loan from a third party at commercial interest rates. The Proposed Directors, will have also held the voting rights in the Shares and associated rights for the duration of the loan.

Benefit, costs and detriments that the loans will have on the Company

In the Company's current circumstances, the Directors consider that the incentive to the Proposed Directors which would be represented by a loan allowing the exercise of the Incentive Options would be a cost-effective and efficient incentive for the

Company to provide, as opposed to alternative forms of incentives such as additional cash bonuses or increased remuneration. To enable the Company to secure executives and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The financial assistance is designed to achieve this objective, by encouraging continued improvement in performance over time.

The Directors do not consider that the provision of the loans will materially affect the Company's ability to pay its creditors as it does not involve any actual payments of cash nor does it involve the Company disposing of any assets.

For these reasons, the Directors do not consider that giving financial assistance will be likely to materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors.

The Directors consider that the limited recourse nature of the loan will provide a strong incentive to the Proposed Directors to exercise the relevant Incentive Options and enable the Company to adequately incentivise the Proposed Directors. The limited recourse nature of the loans removes the risk of the Proposed Directors suffering any loss if Shares acquired by them are subsequently sold for a value less than their exercise price. The Directors therefore consider that the benefits achieved by offering a limited recourse loan exceeds the potential detriment to the Company of the loan in the event of a loss on the sale of the Shares.

Other than as described in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view, there are any material costs or detriments, including opportunity costs or taxation consequences (including any fringe benefit tax) for the Company or benefits foregone by the Company in issuing loans to the Proposed Directors pursuant to Resolutions 11(a) and 11(b).

Directors' recommendation

Under the Company's current circumstances, the Directors consider that the incentive to the Proposed Directors which would be represented by the granting of the loan would be a cost-effective and efficient incentive for the Company to provide, as opposed to alternative forms of incentives.

The Directors consider that enabling the Proposed Directors to exercise the Incentive Options will create a further incentive to the Proposed Directors to enhance the Company's prospects and thereby promote an increase in the Company's share price for the benefit of all Shareholders.

All the Directors were available to make a recommendation. For the reasons noted above, the Directors (who have no interest in the outcome of Resolutions 11(a) or 11(b)) recommend that Shareholders vote in favour of Resolutions 11(a) and 11(b).

Other Information

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolutions 11(a) and 11(b).

4. OTHER INFORMATION

4.1 Scope of disclosure

The law requires that this Explanatory Statement sets out all other information that is reasonably required by the Existing Shareholders in order to decide whether or not it is in the Company's interests to pass the Resolutions and which is known to the Company.

The Company is not aware of any relevant information that is material to the decision on how to vote on the Resolutions other than as is disclosed in this Explanatory Statement or previously disclosed to Existing Shareholders by the Company by notification to the ASX.

4.2 Voting intentions and interests of Existing Directors

The Existing Directors of the Company and their interests in the Company are set out in the table below. As at the date of this Explanatory Statement, the Existing Directors intend to vote in favour of the Resolutions (other than Resolutions 5 and 6(a), in which the Existing Directors have a material personal interest) set out in the Notice of General Meeting. All Existing Directors have a material personal interest in Resolution 5 and do not intend to vote on Resolution 5. Due to their interests in Trident, Mr Adam Sierakowski and Mr KC Dennis Ong may have material personal interests in Resolution 6(a) and do not intend to vote on Resolution 6(a). Mr Adam Sierakowski is director, shareholder and is employed by Trident. Mr KC Dennis Ong is also employed by Trident. For further information on the Existing Directors, see section 2.2. As a result, Mr Adam Sierakowski and Mr KC Dennis Ong have declined to vote on the resolution to put Resolution 6(a) to members at the relevant Board meeting. Likewise, the Existing Directors have declined to vote on the resolution to put Resolution 5 to members at the relevant Board meeting. For the purposes of Resolutions 5 and 6(a), the Directors are seeking Shareholder approval under section 195(4). For further information, see Section 5.9.

Except as otherwise disclosed or referred to in this section 4.2, the Existing Directors have no interest in the outcome of the Resolutions except as Existing Shareholders of the Company. In this regard, the table below sets out the details of the Shares held (directly or indirectly) by the Existing Directors and their Associates and the percentage ownership in the Existing Shares of the Company.

Name of Existing Director	Number of Existing Shares held (directly or indirectly)	Percentage interest in Existing Shares ¹
Mr Adam Sierakowski ²	40,500,000 ⁴	8.97%
Mr KC Dennis Ong ³	Nil	0%
Mr Richard Wolanski	6,000,000	1.32%
TOTAL	46,500,000	10.29%

1 Based on the total number of 451,441,424 Existing Shares of the Company.

- 2 Mr Adam Sierakowski is a director and shareholder of Trident, and is responsible for the day to day management and control of Trident, which stands to receive New Shares pursuant to Resolution 6(a).
- 3 Mr KC Dennis Ong is an employee of Trident, which stands to receive New Shares pursuant to Resolution 6(a).
- 4 40,000,000 Existing Shares are held by Blue Saint Pty Ltd and 500,000 Existing Shares are held by IML Holdings Pty Ltd.

4.3 Taxation

The Proposed Transaction and/or the passing of the Resolutions (including the Capital Consolidation) may give rise to income tax implications for the Company and Existing Shareholders.

Existing Shareholders are advised to seek their own taxation advice on the effect of the Resolutions on their personal position and neither the Company, nor any Existing Director or advisor to the Company accepts any responsibility for any individual Existing Shareholder's taxation consequences on any aspect of the Proposed Transaction or the Resolutions.

4.4 Interest of the Proposed Directors

The Proposed Directors are Mr Timothy Gooch and Mr Mark Harrell. Details of the Proposed Directors of the Company are set out in sections 2.17 and 2.22. As at the date of this Explanatory Statement, the Proposed Directors do not hold any interest in the securities of the Company and will therefore not be voting on the Resolutions set out in the Notice of General Meeting.

4.5 Indicative value of New Shares

The quantum of benefit to be received by the holders of the New Shares proposed to be issued pursuant to Resolutions 3(a), 3(b), 4, 6(a) and 6(b) (inclusive) will depend on the price at which the New Shares may trade on ASX.

4.6 Existing Director's recommendations in respect of the Resolutions

Except in respect of Resolution 5, Existing Director Mr Richard Wolanski recommends that Shareholders vote in favour of the Resolutions for the reasons outlined in sections 2.11, 3.12 and 3.13.

Existing Director Mr Richard Wolanski has declined to make a recommendation on Resolution 5, due to his interest as a Director.

Existing Directors, Mr Adam Sierakowski and Mr KC Dennis Ong have declined to make recommendations on the Resolutions due to their association with Trident, which has an interest in the outcome of these Resolutions, and due to their interests as Directors in respect of Resolution 5. For further information, see sections 2.2 and 4.2.

5. REGULATORY REQUIREMENTS

5.1 Section 254H of the Corporations Act

In Resolution 1, the Company proposes to consolidate its existing issued capital on a 1 for 4 basis in accordance with Section 254H of the Corporations Act. Under Section 254H of the Corporations Act, a company may convert all or any of its shares into a larger or smaller number of shares by resolution passed at a general meeting of the Company.

5.2 Listing Rule 11.1

Under Listing Rule 11.1, if a Company wishes to make a significant change to the nature or scale of its activities it must provide ASX full details regarding the change and if ASX requires, it must obtain Shareholder approval.

ASX has informed the Company that the acquisition of iWebGate constitutes a significant change in the nature and scale of activities of the Company and it requires the Company to:

- (a) obtain Shareholder approval for the proposed change of activities; and
- (b) re-comply with the requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

Accordingly, the Company is seeking Shareholder approval under Listing Rule 11.1.2 in relation to Resolution 1.

The acquisition of iWebGate will result in a change to the nature of the Company's activities from the sale and deployment of ATMs to also include computer networking technology. The Company will seek to relist on the ASX, and ASX has confirmed that it will require the Company to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules.

ASX may suspend quotation of the Shares until the Company has satisfied the requirements of Listing Rule 11.1. The Company will require a trading halt on the day of the General Meeting in respect of the approval of the Proposed Transaction. If Shareholders approve the Proposed Transaction by passing Resolutions 1 to 9 (inclusive), trading in the Company's securities will be suspended until the Company satisfies the requirements of Chapters 1 and 2 of the Listing Rules in accordance with Listing Rule 11.1.3. It is anticipated that the re-quotation of the Company's securities will occur on or around 11 October 2014.

If all the Resolutions are approved and implemented, re-quotation of the Company on ASX will be subject to the Company meeting these requirements. The Company intends to meet these requirements as soon as practicable after the General Meeting. A copy of the Prospectus will be dispatched to Existing Shareholders before the General Meeting.

If Shareholders reject the Resolutions or completion of the acquisition does not occur in accordance with the terms (including the approval of ASX for reinstatement of the Company's securities to quotation), the Company will not issue the securities contemplated in the Resolutions.

Accordingly, Shareholders should carefully consider all of the information contained in this Explanatory Statement before making a decision as to whether to vote in favour of the change in the nature and scale of the Company's activities. In particular, Shareholders should carefully consider the advantages, disadvantages and risks of the proposed acquisition of iWebGate set out in section 2.

5.3 Listing Rule 10.11

Chapter 10 of the Listing Rules contains certain provisions in relation to transactions between a company and "persons in a position of influence". Listing Rule 10.11 provides that a company must not issue equity securities to a "related party" without the approval of holders of ordinary securities by ordinary resolution. The terms "related party" is defined in for these purposes to include a related party within the meaning of section 228 of the Corporations Act and a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

The Directors are "related parties" of the Company within the terms of the Listing Rules. Trident is also a "related party" of the Company as Existing Director, Mr Adam Sierakowski is a director of Trident and is responsible for the day to day management and control of Trident. As a result Resolutions 5 and 6(a) must be approved by Shareholders under Listing Rule 10.11.

For the purposes of Listing Rule 10.13, the information set out at section 3.7 is provided to Shareholders in respect of Resolution 5.

For the purposes of Listing Rule 10.13, the information set out at section 3.8 is provided to Shareholders in respect of Resolution 6(a).

5.4 Section 208 of the Corporations Act

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issues of shares) to a related party of the company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an Associate of the related party or the giving of the financial benefit falls within an exception set out in the Corporations Act.

The Existing Directors and Proposed Directors are "related parties" of the Company for the purposes of section 208 of the Corporations Act. Trident is also a "related party" of the Company as Existing Director, Mr Adam Sierakowski is a director of Trident and is responsible for the day to day management and control of Trident. Accordingly, approval is sought for the issue of New Shares as contemplated by Resolutions 5 and 6(a) under section 208 of the Corporations Act.

For the purposes of ASIC Regulatory Guide 76, the information set out at section 3.7 is provided to Shareholders in respect of Resolution 5.

For the purposes of ASIC Regulatory Guide 76, the information set out at section 3.8 is provided to Shareholders in respect of Resolution 6(a).

For the purposes of ASIC Regulatory Guide 76, the information set out at section 3.12 is provided to Shareholders in respect of Resolutions 10(a) and 10(b).

For the purposes of ASIC Regulatory Guide 76, the information set out at section 3.13 is provided to Shareholders in respect of Resolutions 11(a) and 11(b).

5.5 Section 611 of the Corporations Act

Resolutions 3(a) and 3(b) seek Shareholder approval under item 7 of section 611 of the Corporations Act to the acquisition by the iWG Vendors of a relevant interest in 465,972,916 New Shares upon the issue of those securities.

Except as provided by Chapter 6 of the Corporations Act, section 606(1) of the Corporations Act prohibits a person from acquiring shares in a company if, after the acquisition, that person or any other person would have a relevant interest or voting power in excess of 20% of the voting shares in that company.

Item 7 of section 611 of the Corporations Act provides that section 606(1) of the Corporations Act does not apply to an acquisition of a relevant interest in the voting shares in a company if the company has agreed to the acquisition by resolution passed at a general meeting at which no votes are cast in relation to the resolution by the person to whom the shares are to be issued or by an Associate of that person.

Under section 610 of the Corporations Act, a person's voting power is defined as the percentage of the total voting shares in the Company held by the person and the person's Associates.

As set out in the Voting Exclusion Statements in the Notice of Meeting and in accordance with the Listing Rules, the iWG Vendors and their Associates are precluded from voting on Resolutions 3(a) and 3(b).

5.6 ASIC Regulatory Guide 74

The information set out in section 2.17 is included in accordance with the requirements of item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74.

5.7 ASIC Regulatory Guide 76

The information set out in sections 3.7, 3.8, 3.12 and 3.13 is included in accordance with the requirements of section 219 of the Corporations Act and ASIC Regulatory Guide 76.

5.8 ASX Listing Rule 7.1

Shareholder approval is being sought pursuant to Resolution 4 for the issue of up to 50,000,000 New Shares for the purposes of Listing Rule 7.1. The New Shares proposed to be issued pursuant to Resolution 4 will not be included in the Company's 15% calculation for the purposes of ASX Listing Rule 7.1.

Under Chapter 7 of the Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval. The limitation is to 15% of a company's capital in any 12 month period.

Listing Rule 7.1 provides that a company must not, without shareholder approval, subject to certain exceptions, issue during any 12 month period any equity securities, or other securities with rights of conversion to equity (such as an option), if the

number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

For the purposes of ASX Listing Rule 7.3, the information set out at section 3.6 is provided in relation to Resolution 4.

For the purposes of ASX Listing Rule 7.3, the information set out at section 3.8 is provided in relation to Resolution 6(b).

5.9 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act provides a general restriction on a director who has a material personal interest in a resolution being considered at a directors' meeting of the company being present during any discussion on the resolution or voting on the resolution at the directors' meeting.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors can call a general meeting of shareholders to consider the matter.

The Existing Directors are unable to form a quorum to consider any matters relating to the rights to apply under the Prospectus by Existing Directors under Resolution 5. The Existing Directors are also unable to form a quorum to consider any matter relating to the issue of 2,500,000 Facilitation Shares to Trident under Resolution 6(a) due to Adam Sierakowski and KC Ong also being directors of Trident. Therefore, the Existing Directors are seeking approval under section 195(4) to put those matters to Shareholders to determine.

5.10 Section 157(1) of the Corporations Act

Resolution 7 seeks Shareholder approval to change the name of the Company to "iWebGate Limited". The adoption of the new name under Resolution 7 is required to be approved by Existing Shareholders under section 157(1) of the Corporations Act. The change of name will take effect on the day it is approved by ASIC.

5.11 Listing Rule 7.2, exception 9(b)

Listing Rule 7.1 provides that a company must not, without shareholder approval, subject to certain exceptions, issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option or performance right), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Under Listing Rule 7.2, shareholders may approve the issue of equity securities under an employee incentive scheme as an exception to Listing Rule 7.1. If such approval is obtained, Listing Rule 7.1 does not apply to an issue of any shares or options or performance rights over shares in the Company (and shares allocated upon exercise of those options or performance rights) made within three years of the approval.

5.12 Section 259B(2) and 260C(4) of the Corporations Act

As a general rule, the Corporations Act prohibits a company from taking security over shares in itself. However, section 259B(2) of the Corporations Act states that a

company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting.

Section 260A of the Corporations Act prescribes the circumstances in which a company may financially assist a person to acquire shares in the Company. However, section 260C(4) of the Corporations Act states that an exemption will apply if the financial assistance is given under an employee share scheme that has been approved by shareholders at a general meeting.

Accordingly, Resolution 9 seeks Shareholder approval under sections 259B(2) and 260C(4) of the Corporations Act to enable the company to financially assist eligible iWebGate employees to acquire Shares in the Company (through the provision of loans) pursuant to the iWebGate Employee Incentive Plan, and for the Company to take security over such Shares (if required).

5.13 *Paragraph (b) of definition of ‘employee share scheme buy-back’*

A method of disposal of Loan Shares or Performance Shares permitted by the rules of the Plan is for Loan Shares or Performance Shares to be bought back by the Company. A buy-back is a special procedure under the Corporations Act under which the Company is able to purchase and cancel its own shares. Shareholder approval is often required to permit the Company to buy back its own shares.

By approving the Plan for the purposes of paragraph (b) of the definition of ‘employee share scheme buy-back’ in section 9 of the Corporations Act, Shareholders will permit the Company to buy-back Loan Shares or Performance Shares in accordance with the rules of the Plan without further Shareholder approval up to a maximum of 10% of the smallest number of the Company’s shares on issue at any time in the 12 months preceding the buy-back.

The Plan permits buy-backs of certain Loan Shares or Performance Shares which are to be disposed of under the Plan on terms determined by the Board. It is presently intended that the amount paid to a participant on a buy-back of the participant’s Loan Shares or Performance Shares will be either no consideration or will be equal to the loan given to purchase those Shares and will be immediately applied to extinguish that loan, so that no benefit accrues to the Participant.

5.14 *Listing Rule 10.14*

Under Listing Rule 10.14, an entity must not issue securities to a Director under an employee incentive scheme without the approval of Shareholders. Accordingly, Resolutions 10(a) and 10(b) seek Shareholder approval for the purpose of Listing Rule 10.14 to enable the Company to grant the Incentive Options to the Proposed Directors under the iWebGate Limited Employee Incentive Plan (both of whom will be Directors at the time the Incentive Options are issued).

5.15 *ASIC and ASX’s Role*

For the purposes of Resolutions 3(a) and 3(b), in accordance with Regulatory Guide 74, the Company must lodge the Notice of Meeting and the Explanatory Statement with ASIC before the Notice of Meeting can be dispatched.

Approval under Listing Rule 7.1 for the issue of the New Shares under Resolutions 3(a) and 3(b) are not required by virtue of Exception 16 of Listing Rule 7.2, because approval is being sought under item 7 of section 611 of the Corporations Act.

The fact that the Notice of Meeting, Explanatory Statement and other relevant documentation has been received by ASX and the ASIC is not to be taken as an indication of the merits of the Resolutions or the Company. The ASIC, ASX and its respective officers take no responsibility for any decision a Shareholder may make in reliance on any of that documentation.

6. GLOSSARY

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annexure	an annexure to this Explanatory Statement.
ASIC	the Australian Securities and Investments Commission.
Associate	in the following sections has the following meanings: <ul style="list-style-type: none">(i) in sections 2.9, 2.17, 2.18, 2.19, 3.5, 4.2 and 5.5, has the meaning set out in section 12 of the Corporations Act;(ii) in section 5.4, has the meaning the sections 11 to 17 of the Corporations Act; and(iii) in the Voting Exclusion Statements of the Notice of Meeting, has the meaning set out in section 11 and sections 13 to 17 of the Corporations Act, applied in accordance with the note to Listing Rule 14.11.
ASX	ASX Limited or the Australian Securities Exchange, as the context requires.
ATM	automatic teller machine.
Board	the board of Directors.
Capital Consolidation	the consolidation of the Existing Shares of the Company on a 4 for 1 basis, as proposed under Resolution 1 and detailed in section 3.3.
Capital Raising	the proposed issue of New Shares under the Prospectus, as contemplated by Resolution 4.
Company	My ATM Holdings Limited ACN 141 509 426.
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Existing Shares	the 451,441,424 issued ordinary fully paid Shares in the capital of the Company.
Existing Directors	Mr Adam Sierakowski, Mr KC Dennis Ong and Mr Richard Wolanski.
Existing Shareholders	the holder of an Existing Share.
Explanatory Statement	this explanatory statement accompanying the Notice of Meeting.
Facilitation Shares	New Shares issued as consideration for the facilitation of the Proposed Transaction.
General Meeting	the general meeting of the Company to be held on 17 September 2014 at 10.30am (WST).
GST	goods and services tax imposed in Australia pursuant to the <i>A New Tax System (Goods and Services) Act 1999</i> (Cth).

Incentive Options	the Options proposed to be issued after the Capital Consolidation and under the Plan that have an exercise price equal to the price that is a 125% premium to the closing market price of Shares on ASX on the trading day before the date of the General Meeting, and an expiry date that is 5 years after the date of grant.
Independent Expert	HLB Mann Judd.
Independent Expert's Report	the report of the Independent Expert attached to Annexure 2 to and forming part of the Explanatory Statement.
iWebGate	iWebGate Technology Limited (ACN 108 728 472).
iWebGate Corp	a company incorporated in Delaware, the United States of America, which is wholly-owned by iWebGate.
iWebGate Pty Ltd	iWebGate Pty Ltd (ACN 117 373 770), a company incorporated in Australia, which is wholly-owned by iWebGate.
iWG Founding Vendors	Talks One Pty Ltd as trustee for the Gooch Family Trust, Singara Pty Ltd as trustee for the Gargett Family Trust, The Sutherland Family Company Pty Ltd as trustee for The Swan Trust and Mr Mark Harrell as trustee for the Harrell Family Trust.
iWG Group	iWebGate and its subsidiaries.
iWG Shareholders' Deed	the shareholders' deed between iWebGate and the iWG Vendors, including any variations and deeds of accession.
iWG Vendors	the holders of all the issued capital of iWebGate, details of which are set out in Annexure 1.
Listing Rules	the official Listing Rules of ASX as amended from time to time.
New Shares	fully paid ordinary shares in the Company after the Capital Consolidation.
Notice of Meeting	the notice convening the General Meeting which accompanies this Explanatory Statement.
Plan	iWebGate Limited Employee Incentive Plan, as described in section 2.23 and a copy of which is attached as Annexure 4.
Proposed Directors	Mr Timothy Gooch and Mr Mark Harrell, further details of which are provided at sections 2.2 and 3.10.
Proposed Transaction	the proposal for the acquisition of shares in iWebGate pursuant to the Sale and Purchase Agreement, as described in section 2.
Prospectus	the prospectus to be issued by the Company as referred to in Resolution 4.
Related iWG Vendors	Mr Mark Harrell as trustee for Harrell Family Trust, and Talks One Pty Ltd as trustee for the Gooch Family Trust.

Relevant Interest	the meaning given to that term in the Corporations Act.
Resolutions	the resolutions set out in the Notice of Meeting.
Sale and Purchase Agreement	the share sale and purchase agreement entered into between the Company and the iWG Founding Vendors on 17 April 2014 as amended by variation dated 10 July 2014.
SCM	SCM Equities Pty Ltd (ACN 124 553 224).
Share	fully paid ordinary share in the capital of the Company.
Shareholder	a shareholder of the Company.
Shareholding	the aggregate of Shares held by a Shareholder.
Trident	Trident Capital Pty Ltd.
Unrelated iWG Vendors	the iWG Vendors, other than the Related iWG Vendors.
Voting Power	the meaning given to that term in the Corporations Act.
WST	Western Standard Time in Australia.

ANNEXURE 1 – IWG VENDORS

Name of iWG Vendor	New Shares to be issued to the iWG Vendors under Resolutions 3(a) and 3(b)	No. of New Shares in which iWG Vendors will have a Relevant Interest
Talks One Pty Ltd as trustee for the Gooch Family Trust	88,422,284	88,422,284
Singara Pty Ltd as trustee for the Gargett Family Trust	88,422,284	88,422,284
Mark Harrell as trustee for the Harrell Family Trust	29,592,161	29,592,161
The Sutherland Family Company Pty Ltd as trustee for The Swan Trust	86,853,409	86,853,409
TR7 Holdings Pty Ltd	41,627,633	41,627,633
Shane and Monica Anderson as trustee for the Anderson Superannuation Fund	1,979,309	43,606,942 ¹
Nicholas J Gibson and Carmel S Smargiassi	582,155	42,791,943 ²
Nick Gibson Investments 2 Pty Ltd	582,155	582,155
Solange Ltd	30,749,095	30,749,095
Markenfield Pty Ltd as trustee for The Mettam Family Trust	19,810,531	20,375,408 ³
Markenfield Pty Ltd as trustee for The Mettam Super Fund	564,877	20,375,408 ⁴
Harvey Springs Estate Pty Ltd	13,703,492	13,703,492
Inglewood Lodge Pty Ltd as trustee for the Inglewood Lodge Trust	3,017,008	3,017,008
Anthony Gooch as trustee for the Gooch Family Trust	11,198,345	11,198,345
Michael Lewis as trustee for the Lewis Trust	11,052,786	11,052,786
JB Davros Pty Ltd as trustee for The Raymor Trust	9,476,820	9,476,820
Shane Christian De Bie as trustee for De Bie Family Trust	9,474,049	9,474,049

¹ Shane Anderson will have a Relevant Interest in the New Shares to be issued to TR7 Holdings Pty Ltd.

² Nicholas Gibson will have a Relevant Interest in the New Shares to be issued to TR7 Holdings Pty Ltd and Nick Gibson Investments 2 Pty Ltd.

³ Markenfield Pty Ltd as trustee for The Mettam Family Trust will have a Relevant Interest in the New Shares to be issued to Markenfield Pty Ltd as trustee for The Mettam Super Fund.

⁴ Markenfield Pty Ltd as trustee for The Mettam Super Fund will have a Relevant Interest in the New Shares to be issued to Markenfield Pty Ltd as trustee for The Mettam Family Trust.

Name of iWG Vendor	New Shares to be issued to the iWG Vendors under Resolutions 3(a) and 3(b)	No. of New Shares in which iWG Vendors will have a Relevant Interest
Jawatte Nominees Pty Ltd as trustee for The Bartlett Family Superannuation Fund	9,415,247	9,415,247
Northern Lights Investments Pty Ltd as trustee for Northern Lights Investment Trust	3,158,940	3,158,940
GDM Services Pty Ltd as trustee for the GDM Services Superannuation Fund	2,639,867	2,930,945 ⁵
GDM Services Pty Ltd as trustee for the GDM Services Trust	291,078	2,930,945 ⁶
Inspire Change Pty Ltd	1,268,833	1,268,833
Tethyan Holdings Pty Ltd as trustee for the Tethyan Investments Trust	927,144	1,114,664 ⁷
Norman John Graham	125,021	125,021
Invisinet Pty Ltd	250,002	250,002
Janine Henderson	37,490	287,492 ⁸
Ryan Henderson	37,490	37,490
Kirsty Henderson	31,256	31,256
Robert Bruce Sutherland	203,750	203,750
Sputnik Super Investments Pty Ltd as trustee for Sputnik Super Fund	176,692	176,692
H&C Ellis Super Pty Ltd as trustee for Ellis Superannuation Fund	176,692	176,692
BH Capp & SA Sutherland as trustee for Capp Superannuation Fund	125,021	275,021 ⁹
TOTAL	465,972,916	466,631,416

⁵ GDM Services Pty Ltd as trustee for The GDM Services Superannuation Fund will have a Relevant Interest in the New Shares to be issued to GDM Services Pty Ltd as trustee for the GDM Services Trust.

⁶ GDM Services Pty Ltd as trustee for the GDM Services Trust will have a Relevant Interest in the New Shares to be issued to GDM Services Pty Ltd as trustee for The GDM Services Superannuation Fund.

⁷ Tethyan Holdings Pty Ltd as trustee for the Tethyan Investments Trust holds 750,000 Existing Shares (187,500 New Shares).

⁸ Janine Henderson has a Relevant Interest in Invisinet Pty Ltd.

⁹ BH Capp & SA Sutherland as trustee for Capp Superannuation Fund holds 600,000 Existing Shares (150,000 New Shares).

ANNEXURE 2 – INDEPENDENT EXPERT’S REPORT

Independent Expert's Report
My ATM Holdings Limited



Mann Judd Corporate (WA) Pty Ltd
ACN 008 878 555

Licensed Investment Adviser

FINANCIAL SERVICES GUIDE

Dated 1 July 2013

1. HLB Mann Judd Corporate (WA) Pty Ltd

HLB Mann Judd Corporate (WA) Pty Ltd ABN 69 008 878 555 ("HLB Mann Judd Corporate" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

2. Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 250903;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

3. Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- securities;
- interests in managed investment schemes excluding investor directed portfolio services;
- superannuation; and
- debentures, stocks or bonds issued or proposed to be issued by a government.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

4. General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

HLB Mann Judd Corporate (WA) Pty Ltd AFSL 250903
Level 4, 130 Stirling Street Perth WA 6000. PO Box 6124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: <http://www.hlb.com.au>

HLB Mann Judd Corporate (WA) Pty Ltd is a member of  HLB International, a worldwide organisation of accounting firms and business advisers.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product and there is no statutory exemption relating to the matter, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

5. Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither HLB Mann Judd Corporate, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

6. Remuneration or other benefits received by us

HLB Mann Judd Corporate has no employees. All personnel who complete reports for HLB Mann Judd Corporate are partners of HLB Mann Judd (WA Partnership). None of those partners are eligible for bonuses directly in connection with any engagement for the provision of a report.

7. Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

8. Associations and relationships

HLB Mann Judd Corporate is wholly owned by HLB Mann Judd (WA Partnership). Also, our directors are partners in HLB Mann Judd (WA Partnership). Ultimately the partners of HLB Mann Judd (WA Partnership) own and control HLB Mann Judd Corporate.

From time to time HLB Mann Judd Corporate or HLB Mann Judd (WA Partnership) may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

9. Complaints resolution

9.1. Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints must be in writing, addressed to The Complaints Officer, HLB Mann Judd Corporate (WA) Pty Ltd, Level 4, 130 Stirling Street, Perth WA 6000.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 7 days and investigate the issues raised. As soon as practical, and not more than one month after receiving the written complaint, we will advise the complainant in writing of the determination.

9.2 Referral to external disputes resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service Limited ("FOS"). FOS independently and impartially resolves disputes between consumers, including some small business, and participating financial services providers.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 78 08 08
Facsimile: (03) 9613 6399

10. Contact details

You may contact us using the details at the foot of page 1 of this FSG.



Mann Judd Corporate (WA) Pty Ltd

Licensed Investment Adviser

10 July 2014

The Directors
My ATM Holdings Limited
Level 24
44 St George's Terrace
PERTH WA 6000

Dear Sirs

INDEPENDENT EXPERT'S REPORT

INTRODUCTION

On 19 December 2013 ("Announcement Date"), My ATM Holdings Limited ("MYA" or the "Company") announced that it had entered into a Heads of Agreement ("HOA") with the board of iWebgate Technology Limited ("IWG") to acquire 100% of all rights and title in all the issued capital of IWG. On the 17 April 2014, the Company announced that it had executed a formal Share Sale Agreement ("SSA") to acquire 100% of all rights and title in the issued capital of IWG. Under the terms of the SSA, the current shareholders of IWG ("the vendors") and founding shareholders ("founding vendors") will be issued with shares that will result in the vendors collectively control approximately (79.9%) of the issued capital of MYA prior to the raising of additional capital. This will be achieved by the approval of Resolution 3 of the Notice of Meeting of shareholders of the Company proposed to be held on 10 September 2014, namely the issue to IWG vendors and IWG founding vendors of 465,972,916 ordinary shares on the terms and conditions set out in the Explanatory Statement ("the Proposed Transaction"). A summary of the key components of the HOA are set out in Section 3 of this Report. For the purposes of this Report we have defined the combined MYA and IWG after the Proposed Transaction as the "Proposed Merged Entity".

STRUCTURE OF REPORT

This report has been divided into the following sections:

1. Summary and opinion
2. Purpose of the Report
3. Key components of the SSA
4. Economic analysis
5. Adopted basis of evaluation
6. Profile of MYA
7. Valuation of MYA
8. Profile of IWG
9. Valuation of IWG
10. Valuation of the Proposed Merged Entity
11. Assessment of whether the Proposed Transaction is fair

HLB Mann Judd Corporate (WA) Pty Ltd AFSL 250903
Level 4, 130 Stirling Street Perth WA 6000, P.O. Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500, Fax +61 (08) 9227 7533,
Email: hlb@hlbwa.com.au, Website: <http://www.hlb.com.au>

HLB Mann Judd Corporate (WA) Pty Ltd is a member of  HLB International, a worldwide organisation of accounting firms and business advisers.

12. Assessment of whether the Proposed Transaction is reasonable
13. Sources of information
14. Qualifications, Declarations and Consents

1. SUMMARY AND OPINION

In order to assess whether the Proposed Transaction is fair and reasonable we have:

- assessed whether the Proposed Transaction is fair by comparing the value of a MYA share before the Proposed Transaction to the value of a share in MYA after the Proposed Transaction; and
- assessed it as reasonable if it is fair, or despite not being fair the advantages to MYA's shareholders outweigh the disadvantages.

Further details of the basis of evaluation are provided in Sections 11 and 12 of our report.

1.1 Fairness

Set out in the table below is our assessment a comparison of the value of a MYA share before the Proposed Transaction (on a control basis) with our assessed value of an MYA share after the Proposed Transaction (on a minority interest basis).

	Report Reference	Low cents	Preferred cents	High cents
Value of a MYA share pre transaction	Section 7	2.26	2.26	6.00
Value of a MYA share post transaction	Section 9	2.14	2.40	2.71

The preferred value of a MYA share post completion of the Proposed Transaction is greater than the preferred value of an MYA share pre Proposed Transaction, it is our opinion that the Proposed Transaction is fair

1.2 Reasonableness

We have considered the analysis in Section 12 of this Report, in terms of both the advantages and disadvantages of the Proposed Transaction and the position of the non-associated shareholders of MYA if the Proposed Transaction was to proceed.

In our opinion, the position of the non-associated shareholders of MYA if the Proposed Transaction was to proceed is more advantageous than if the Proposed Transaction was not approved by the shareholders.

1.3 Opinion

We are of the opinion that the Proposed Transaction is fair and reasonable to the non-associated shareholders of MYA.

2. PURPOSE OF THE REPORT

2.1 General

The Directors of MYA have requested that HLB Mann Judd Corporate (WA) Pty Ltd ("HLB") provide an independent expert's report ("Report") advising whether, in our opinion, the Proposed Transaction is fair and reasonable to holders of the Company's ordinary shares whose votes are not to be disregarded ("non-associated shareholders").

This Report has been prepared to assist shareholders in their decision whether to vote for or against the resolution giving effect to the Proposed Transaction. MYA is seeking the approval of its shareholders, under Item 7 of section 611 of the Corporations Act, for the Proposed Transaction, as it involves the vendors and their associates acquiring greater than 20% of the issued capital of MYA. As at the date of the Notice of meeting, certain of the IWG Vendors have a relevant interest in existing shares. As outlined in the Notice of Meeting, their combined voting power at the date of the Notice of Meeting is 0.3%. The issue of shares to the vendors and founding vendors pursuant to the Proposed Transaction will increase this shareholding to 79.9%, prior to the raising of additional capital.

2.2 Regulatory guidance

This Report is to be included in the Notice of General Meeting and Explanatory Statement ("Notice of Meeting") for the meeting to be held on 10 September 2014 to consider the resolution giving effect to the Proposed Transaction, for the purpose of assisting shareholders in their consideration of that resolution. This Report should not be used for any other purpose.

We have prepared this Report having regard to the relevant Australian Securities and Investments Commission ("ASIC") releases. ASIC Regulatory Guide 74 "*Acquisitions agreed to by shareholders*" suggests that the obligation to supply shareholders with all information that is material to the decision on how to vote on the resolution giving effect to the Proposed Transaction can be satisfied by the directors of MYA, by either:

- (a) undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise; or
- (b) by commissioning an independent expert's report.

The directors of MYA have commissioned this Report to satisfy this obligation.

In determining the fairness and reasonableness of the Proposed Transaction, we have had regard to ASIC Regulatory Guide 111 "*Content of expert reports*" ("RG 111"), which states that an opinion as to whether an offer is fair and/or reasonable shall entail a comparison between the offer price (in this case, the proposed amount payable for the MYA shares) and the value that may be attributed to the securities under offer (in this case, the value of the MYA shares) (*fairness*) and an examination to determine whether there are sufficient reasons for security holders to accept the offer despite an offer not being fair (*reasonableness*).

RG 111 also suggests that where the Proposed Transaction is a control transaction the expert should focus on the substance of the control transaction, rather than the legal mechanism used to effect it. RG 111 suggests that where a transaction is a control transaction it should be analysed on a basis that is consistent with a takeover bid.

In our opinion, the Proposed Transaction is a control transaction as defined by RG 111 as the vendors of IWG will control the majority of the shares outstanding in MYA should the transaction be approved, we have evaluated the Proposed Transaction as a takeover of MYA.

RG 111 defines a takeover offer as being fair if the value of the consideration is equal to or greater than the value of the securities subject to the offer. Accordingly, HLB has assessed whether the Proposed Transaction is fair by comparing the value of a MYA share before the Proposed Transaction to the effective consideration offered to MYA shareholders. As MYA shareholders would retain their MYA shares if the Proposed Transaction proceeds, the effective consideration is the continued ownership of a MYA share, which will become a share in the Proposed Merged Entity.

RG 111 states that an offer is reasonable if it is fair. An offer may also be reasonable, if despite it not being fair, there are significant factors which in the expert's opinion shareholders should consider in accepting the offer.

We have also had regard to ASIC Regulatory Guide 112 "Independence of experts".

2.3 Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 *Valuation Services* ("APES 225") as issued by the Accounting Professional & Ethical Standards Board.

In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

"an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3. KEY COMPONENTS OF THE SSA

On 12 December 2013, MYA entered into a binding HOA with IWG and IWG Founders that subject to satisfaction of a number of conditions precedent, will result in MYA acquiring all of the issued capital of IWG. On 17 April 2014, the Company announced that they had executed the formal SSA to acquire of all the rights and title in all the issued capital of IWG. The Sale and Purchase Agreement was varied by agreement dated 10 July 2014.

The key terms of the SSA are as follows:

- i) MYA will issue 465,972,916 MYA consideration Shares pro-rata to existing IWG shareholders; and
- ii) MYA will pay \$865,694 cash to Talks One Pty Ltd as trustee for the Gooch Family Trust in repayment of an outstanding loan owed by IWG.

The SSA is subject to a number of conditions being satisfied as follows:

- i) MYA being satisfied with its due diligence

- ii) MYA must complete a fund raising of not less than \$5,000,000;
- iii) IWG must obtain required shareholder approval;
- iv) MYA obtaining all shareholder approval to enable the transaction to complete;
- v) IWG Founders exercising the drag-along right in the IWG shareholders deed; and
- vi) Conditional listing approval being received from ASX, if compliance with Chapters 1 and 2 of the ASX Listing Rules is required.

4. ECONOMIC ANALYSIS

At its meeting on 1 July 2014, the Reserve Bank of Australia Board ("Board") decided to leave the cash rate unchanged at 2.5 per cent. In support of this decision, the Board provided the following commentary:

Growth in the global economy is continuing at a moderate pace, helped by firmer conditions in the advanced countries. China's growth slowed a little earlier in the year but remains generally in line with policymakers' objectives. Commodity prices in historical terms remain high, but some of those important to Australia have declined.

Financial conditions overall remain very accommodative. Long-term interest rates and risk spreads remain low. Emerging market economies are once again receiving capital inflows. Volatility in many financial prices is currently unusually low. Markets appear to be attaching a very low probability to any rise in global interest rates over the period ahead.

In Australia, recent data indicate somewhat firmer growth around the turn of the year, but this resulted mainly from very strong increases in resource exports as new capacity came on stream; smaller increases in such exports are likely in coming quarters. Moderate growth has been occurring in consumer demand. A strong expansion in housing construction is now under way. At the same time, resources sector investment spending is starting to decline significantly. Signs of improvement in investment intentions in some other sectors are emerging, but these plans remain tentative as firms wait for more evidence of improved conditions before committing to significant expansion. Public spending is scheduled to be subdued. Overall, the Bank still expects growth to be a little below trend over the year ahead.

There has been some improvement in indicators for the labour market in recent months, but it will probably be some time yet before unemployment declines consistently. Growth in wages has declined noticeably. If these and other domestic costs remain contained, inflation should remain consistent with the target over the next one to two years, even with lower levels of the exchange rate.

Monetary policy remains accommodative. Interest rates are very low and for some borrowers have edged lower over recent months. Savers continue to look for higher returns in response to low rates on safe instruments. Credit growth has picked up a little, including most recently to businesses. Dwelling prices have increased significantly over the past year, though there have been some signs of a moderation in the pace of increase recently. The exchange rate remains high by historical standards, particularly given the declines in key commodity prices, and hence is offering less assistance than it might in achieving balanced growth in the economy.

Looking ahead, continued accommodative monetary policy should provide support to demand and help growth to strengthen over time. Inflation is expected to be consistent with the 2-3 per cent target over the next two years.

In the Board's judgement, monetary policy is appropriately configured to foster sustainable growth in demand and inflation outcomes consistent with the target. On present indications, the most prudent course is likely to be a period of stability in interest rates.

Source: www.rba.gov.au Statement by Glenn Stevens, Governor: Monetary Policy Decision 1 July 2014

5. ADOPTED BASIS OF EVALUATION

5.1 Fairness

We have assessed whether the Proposed Transaction is fair by comparing the proposed value for each MYA share prior to the Proposed Transaction with the value of an MYA after the Proposed Transaction.

The MYA shares have been valued at fair market value, which we have defined as the amount at which the shares would be expected to change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither of whom is under any compulsion to buy or sell. Special purchasers may be willing to pay higher prices to gain control, to reduce or eliminate competition, to secure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. As the Proposed Transaction is a control transaction (as defined in RG 111), we have considered this factor in forming our opinion.

5.2 Reasonableness

We have assessed the reasonableness of the Proposed Transaction by considering other advantages and disadvantages of the Proposed Transaction to the non-associated shareholders of MYA.

5.3 Individual circumstances

We have evaluated the Proposed Transaction for MYA shareholders as a whole. We have not considered the effect of the Proposed Transaction on the particular circumstances of individual shareholders. Due to their particular circumstances, individual shareholders may place a different emphasis on various aspects of the Proposed Transaction from those adopted in this Report. Accordingly, individual shareholders may reach different conclusions to ours on whether the Proposed Transaction is fair and reasonable. If in doubt, shareholders should consult an independent adviser.

5.4 Limitations and Reliance on Information

HLB's opinion is based on economic, share market, business trading and other conditions and expectations prevailing at the date of this Report. These conditions can change significantly over relatively short periods of time. If these conditions did change materially the valuations and opinions could be different in these changed circumstances.

This report is also based upon financial information and other information provided by MYA. HLB has considered and relied upon this information. HLB has no reason to

believe that any material facts have been withheld. The information provided to HLB has been evaluated through analysis, enquiry and review for the purposes of forming an opinion as to whether the Proposed Transaction is fair and reasonable. However, in preparing reports such as this, time is limited and HLB does not warrant that its enquiries have identified or verified all of the matters that an audit, extensive examination or "due diligence" investigation might disclose. In any event, an opinion as to fairness and reasonableness is more in the nature of an overall review rather than a detailed audit or investigation.

An important part of the information used in forming an opinion of the kind expressed in this Report is comprised of the opinions and judgment of management. This type of information was also evaluated through analysis, enquiry and review to the extent practical. However, such information is often not capable of external verification or valuation.

Preparation of this Report does not imply that HLB has audited in any way the records of MYA for the purposes of this Report. It is understood that the accounting information that was provided was prepared in accordance with generally accepted accounting principles and in a manner consistent with the method of accounting in previous years except as otherwise noted.

The information provided to HLB included historical financial information for MYA. MYA is responsible for this information. HLB has used and relied on this information for the purpose of analysis. HLB has assumed that this information was prepared appropriately and accurately based on the information available to management at the time and within the practical constraints and limitations of such information. HLB has assumed that this information does not reflect any material bias, either positive or negative. HLB has no reason to believe otherwise.

6. PROFILE OF MYA

6.1 Company History

MYA was incorporated on 15 January 2010 and was admitted to the Official List of ASX on 13 January 2011.

On 6 December 2011, Administrators were appointed to the Company. On 3 April 2012 the Company, Administrators and Trident Capital Pty Ltd executed the Deed of Company Arrangement ("DOCA"). Following the raising of capital and the release of the Company from Administration, the Company has reinstated to official quotation with the ASX on 21 June 2013.

Since its reinstatement the Company has commenced a review of the assets it has retained for the purpose of evaluating the commercial viability of each of the following:

- Purchasing ATMs from manufacturers with volume discounts, with revenue derived from the on-sale of those units to clients who wished to participate in the growing returns from fees derived from ATMs; and
- A deployment company that locates sites, enters into site agreements and derives revenue and profit through sharing a portion of transaction fees derived from the ATM usage.

On or about 17 April 2014, the Company entered into the Sale and Purchase Agreement. Pursuant to this agreement, the Company agreed to acquire all of the issued capital of IWG on the terms and conditions summarised in Section 2.3 of the Notice of Meeting.

6.2 Assets

The Company's assets comprise predominantly cash and loans receivable. An extract of the Company's review interim report for the half year ended 31 December 2013 together with the audited financial statements for the year ended 30 June 2013 is shown at Section 7.4 of this report.

6.3 Legal Structure

MYA is a company incorporated and domiciled in Australia. It currently operates as a single entity.

6.4 Management and Personnel

The Company's current directors and officers are:

Mr Adam Sierakowski	Director
Mr KC Ong	Director
Mr Richard Wolanski	Director
Ms Nicki Farley	Company Secretary

6.5 Capital Structure and Shareholders

At the date of this Report, MYA had the following securities on issue:

Shares:

	Number
Fully paid ordinary shares	451,441,424

Options

At the date of this report, the Company had no options on issue.

Escrow provisions

No securities are held in escrow as at the date of this report.

Top 20 shareholders

The top 20 shareholders as at 8 July 2014 are set out below.

Shareholder	Number of Shares	% of total shares on issue
MR DAVID JOHN EDWARD LEDGER	45,000,000	9.97%
BLUE SAINT PTY LTD	40,000,000	8.86%
MIDBRIDGE INVESTMENTS PTY Ltd	17,054,404	3.78%
MR PETER WILLIAM CLARK + MRS LESLEIGH ANN CLARK <THE CLARK SUPER FUND A/C>	16,169,800	3.58%

MR JOHN ROLAND PARKMAN + MRS ANNETTE JANE PARKMAN <PARKMAN S/F A/C>	10,630,000	2.35%
ME (WA) PTY LTD <B MELLE & A BRUNTON SF A/C>	10,240,000	2.27%
JAMIE MANN SUPER PTY LTD <JAMIE MANN SUPER FUND A/C>	10,000,000	2.22%
TOWER CORPORATE PTY LTD	9,251,000	2.05%
MR LIONEL PAUL WEAVER	8,120,539	1.80%
GENERAL & PRIVATE FUNDS MANAGEMENT PTY LTD	7,875,000	1.74%
MR PAUL MATTHEW SULLIVAN BAILEY	7,211,017	1.60%
MR GREGORY JOHN SALOTTI	6,875,000	1.52%
GOLDEARTH INVESTMENTS PTY LTD	6,675,091	1.48%
PHILATON PTY LTD<PHIL GRANT SUPER FUND A/C>	6,614,000	1.47%
MR JAMES ELDERSHAW	6,030,000	1.34%
MR RICHARD WOLANSKI	6,000,000	1.33%
HELMET NOMINEES PTY LTD <TIM WEIR FAMILY FUND A/C>	5,750,000	1.27%
RAEJAN PTY LTD <THE MARZEC FAMILY A/C>	5,750,000	1.27%
MR JEFFREY WILLIAM MCLEAN	5,420,000	1.20%
MR BENJAMIN THOMAS ALLAN	5,000,000	1.11%
TOTAL	235,665,851	52.20%

6.6 Share Price Performance

MYA's share price movements in the 12 months since reinstatement to trading (to 30 June 2014), together with volumes traded are presented in the graph below:



The following key announcements were made by the Company to the market during the above period:

Date	Announcement	Closing share price after announcement \$ (movement)	Closing share price three days after announcement \$ (movement)
30-May-14	Iwebgate Transaction Update	0.17 (▲ 0%)	n/a
17-Apr-14	Appendix 4C - quarterly	0.095 (▼ 1%)	0.093 (▼ 3%)
17-Apr-14	MYA Executes Share Sale Agreement to Acquire iWebgate	0.095 (▼ 1%)	0.093 (▼ 3%)
19-Mar-14	Completion of Capital Raising	0.052 (▼ 4%)	0.05 (▼ 11%)
28-Feb-14	Half Yearly Report and Accounts 31 December 2013	0.057 (▲ 4%)	0.057 (▲ 4%)
07-Feb-14	Becoming a substantial holder	0.041 (▲ 17%)	0.046 (▲ 31%)
24-Jan-14	Appendix 4C - quarterly	0.032 (▲ 28%)	0.033 (▲ 32%)
08-Jan-14	Change in substantial holding	0.017 (▼ 11%)	0.017 (▼ 11%)
30-Dec-13	Completion of Capital Raising	0.017 (▼ 11%)	0.018 (▼ 5%)
19-Dec-13	Heads of Agreement to Acquire iWebgate Technology Limited	0.018 (▲ 13%)	0.019 (▲ 19%)
31-Oct-13	Appendix 4C - quarterly	0.006 (▲ 0%)	0.006 (▲ 0%)
02-Sep-13	Preliminary Final Report	0.007 (▲ 0%)	0.007 (▲ 0%)
31-Jul-13	Appendix 4C - quarterly	0.009 (▲ 0%)	0.009 (▲ 0%)
24-Jul-13	Becoming a substantial holder	0.01 (▲ 0%)	0.009 (▼ 10%)
23-Jul-13	Change in substantial holding	0.01 (▲ 0%)	0.009 (▼ 10%)
25-Jun-13	Becoming a substantial holder	0.008 (▲ 0%)	0.008 (▲ 0%)
20-Jun-13	Reinstatement to Official Quotation - 21 June 2013	n/a	n/a

Source: ASX company announcements

The following facts are worthy of note in relation to the above:

- The MYA closing share price has fluctuated from a price of approximately 0.06 cents at the beginning of the above period to a high of 17.5 cents on 26 May 2014 and to a closing price at the date of this Report of 11.5 cents (9 July); and
- Following the announcement on 19 December 2013 that the Company had signed a HOA with IWG, the Company's closing share price increased significantly from the pre-announcement price. Since that date, the Company's closing share price has continued to increase.

6.7 Financial Performance

Extracts of the Company's reviewed financial results for the half year ended 31 December 2013 and audited financial results for the year ended 30 June 2013 are set out below:

	Reviewed Half Year to 31 December 2013 \$	Audited Year to 30 June 2013 \$
Revenue	-	-
Other revenues	15,162	5,423
Administration expenses	(130,134)	(321,028)
Occupancy expenses	(12,000)	-
Corporate advisory expenses	(90,000)	(150,000)
Patents and trademarks	(50,909)	-
Other expenses	(2,952)	(55,799)
Finance costs	(137)	(39,456)
Loss before income tax	(270,970)	(560,860)
Loss from discontinued operations	-	(651,771)
Loss for the year	(270,970)	(1,212,631)
Other comprehensive income/(loss), net of tax	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(270,970)	(1,212,631)

6.8 Financial Position

Extracts of the Company's unaudited financial position as at 31 December 2013 and audited financial position as at 30 June 2013 are set out below:

	Reviewed 31 December 2013 \$	Audited 30 June 2013 \$
Current Assets		
Cash and cash equivalents	527,673	1,158,706
Trade and other receivables	83,381	55,718
Other current assets	-	50,000
Loan receivable - IWG	1,000,000	-
Total Current Assets	1,611,054	1,264,424
Non Current Assets		
Plant and equipment	-	-
Total Non-Current Assets	-	-
Total Assets	1,611,054	1,264,424
Liabilities		
Current Liabilities		
Trade and other payables	(148,560)	(255,335)
Total Current Liabilities	(148,560)	(255,335)
Total Liabilities	(148,560)	(255,335)
Net Assets	1,462,494	1,009,089
Equity		
Issued capital	2,931,302	2,206,927
Convertible notes reserve	-	39,380
Accumulated losses	(1,468,808)	(1,237,218)
Total Equity	1,462,494	1,009,089

6.9 Tax Losses

At 30 June 2013, the Company had a net unrecognised deferred tax asset of \$1,951,980 relating primarily to the benefit of income tax losses. The movement in the unrecognised deferred tax asset for the half year ended 31 December 2013 has not yet been quantified. This asset is not included in the statement of financial position in Section 7.4 of this Report. Refer to Section 7.3.1 of this Report for further discussion on this matter.

7. VALUATION OF MYA

7.1 Valuation Summary

HLB has assessed the fair market value of MYA to be 2.26 cents per share on a post consolidation basis.

For the purpose of our opinion, fair market value is defined as the amount at which the shares would change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither being under a compulsion to buy or sell. We have considered the aspect of a premium for control in forming our opinion.

In determining this amount, we assessed the fair market value of MYA after considering the various valuation methods, which are discussed in further detail at Section 7.2 of this Report.

7.2 Valuation Methodology

Methodologies commonly used for valuing assets and businesses are as follows:

7.2.1 Capitalisation of future maintainable earnings ("FME")

This method places a value on a business by estimating the likely future maintainable earnings, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ("EBIT") or earnings before interest, tax, depreciation and amortisation ("EBITDA"). The capitalisation rate or "earnings multiple" is adjusted to reflect which base is being used for FME.

This method is not appropriate for use in companies that are not generating revenue.

7.2.2 Discounted future cash flows ("DCF")

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present values at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

The DCF methodology is not considered appropriate to use in the valuation of MYA as the Company does not have cash flow forecast information.

7.2.3 Net asset value

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The *orderly realisation of assets method* estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The *liquidation method* is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Where wind up or liquidation of the entity is not being contemplated, these methods in their strictest form are generally not appropriate. The *net assets on a going concern method* estimates the market values of the net assets of an entity but does not take into account any realisation costs.

The *net assets on a going concern method* is usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall net assets on a going concern basis.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when entities are not profitable, a significant proportion of the entity's assets are liquid or for asset holding companies.

7.2.4 Quoted Market Price Basis

Another valuation approach that can be used in conjunction with (or as a replacement for) any of the above methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share.

Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a "deep" market in that security.

7.2.5 Methodology Adopted

We consider that the most appropriate methods for the valuation of MYA shares are the net assets on a going concern method and the quoted market price basis.

7.3 Valuation

7.3.1 Net assets on a going concern method of valuation of MYA

Our valuation of MYA on a going concern method of valuation is set out in our valuation calculations below.

Statement of Financial Position	Note	Unaudited 31 December 2013 \$	Valuation Low \$	Valuation Preferred \$	Valuation High \$
Current Assets					
Cash and cash equivalents	1	527,673	1,611,673	1,611,673	1,611,673
Trade and other receivables		83,381	83,381	83,381	83,381
Loan receivable - IWG		1,000,000	1,000,000	1,000,000	1,000,000
Total Current Assets		1,611,054	2,695,054	2,695,054	2,695,054
Non Current Assets					
Plant and equipment		-	-	-	-
Total Non-Current Assets		-	-	-	-
Total Assets		1,611,054	2,695,054	2,695,054	2,695,054
Liabilities					
Current Liabilities					
Trade and other payables		(148,560)	(148,560)	(148,560)	(148,560)
Total Current Liabilities		(148,560)	(148,560)	(148,560)	(148,560)
Total Liabilities		(148,560)	(148,560)	(148,560)	(148,560)
Net Assets		1,462,494	2,546,494	2,546,494	2,546,494

		Number	Number	Number	Number
Shares on issue	1	376,441,424	451,441,424	451,441,424	451,441,424
Shares on issue (after 1 for 4 consolidation)		94,110,356	112,860,356	112,860,356	112,850,356
Value per share (cents)		1.55	2.26	2.26	2.26

We have made the following adjustments to the net assets and issued capital of MYA as at 31 December 2013 in determining our valuation:

1. Cash and cash equivalents

- Issue of shares to David Ledger – as agreed at shareholders meeting held 5 March 2014. 50,000,000 ordinary shares were issued at an issue price of \$0.005 raising \$250,000;
- As announced on 19 March 2014, the Company successfully placed 25,000,000 ordinary shares at 4 cents each to raise \$1,000,000;

- Share issue costs of \$36,000 have been incurred; and
- Additional expenditure of approximately \$130,000 occurred during the March 2014 quarter.

For the Purposes of our Report we have included these cash inflows as well as the increase in shares issued in our valuation above.

2. Shares on issue

For the purposes of a meaningful comparison, we have assumed that the 1 for 4 consolidation of equity occurs as it is required for the transaction to proceed.

3. Deferred tax assets and liabilities

The company had a net deferred tax asset of \$1,951,980 at 30 June 2013 arising primarily from the benefit of income tax losses. The movement in the unrecognised deferred tax asset for the half year ended 31 December 2013 has not yet been quantified. For the purposes of our Report, we have not incorporated into our above valuation any deferred tax liability arising on income tax losses as it is unlikely that these will be available to the Proposed Merged Entity.

7.3.2 Quoted Market Price Basis - Shares

To provide a comparison to our assessed valuation of MYA in Section 7.3.1, we have also assessed the value of MYA on the quoted market price basis.

The quoted market value of a company's shares is reflective of its value on a minority interest basis. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.25 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of section 611 of the Corporations Act, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain control of another company. These advantages include the following:

- control over policy, decision making and strategic direction;
- access to cash flows;
- control over dividend policies; and
- potentially, access to tax losses.

Whilst the IWG vendors will not be obtaining 100% of MYA, RG 111 states that the expert should calculate the value of a "target's" (i.e. MYA) shares as if 100% control was being obtained. RG 111.3 states that the expert can then consider an acquirer's practical level of control when considering reasonableness. We have considered reasonableness in Section 11 of this Report.

Our valuation calculation has been prepared in two parts. First, we have calculated the quoted market price on a minority interest basis. Secondly, we have added a premium

for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

A chart of the share price movement of MYA over the period since MYA was reinstated to trading is included in Section 6.6 of this Report.

The MYA closing share price has fluctuated from a price of approximately 0.006 cents in June 2013 to a high of 17.5 cents on 26 May 2014. The closing share price as at the date of this Report is 11.5 cents (9 July)

To provide further analysis of the market prices for a MYA share, we have also calculated the volume weighted average market price for 10, 30, 60 and 90 day periods prior to 19 December 2013 (being the date of the announcement that the Company had entered into a HOA with IWG) as follows:

	19 Dec 2013 (cents)	10 Days (cents)	30 Days (cents)	60 Days (cents)	90 Days (cents)
Closing price	1.8				
Volume weighted average		1.7	1.5	1.3	1.2

For the quoted market price basis to be reliable there needs to be an adequately liquid and active market for the securities. We consider the following characteristics to be representative of a liquid and active or "deep" market:

- Regular trading in a company's securities;
- At least 50% of a company's securities are traded on an annual basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant and unexplained movements in the company's share price.

A company's shares should meet all of the above criteria to be considered as trading in a "deep" market, however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares determined on this basis cannot be considered relevant.

An analysis of the volume of trading in MYA shares for the 120 days prior to 19 December 2013 is set out below:

	Low Cents	High Cents	Cumulative Volume Traded	As a % of issued capital as at 31 December 2013
10 days	1.1	1.9	13,020,000	4.3%
30 days	0.6	1.9	17,392,527	5.8%
60 days	0.4	1.9	21,892,527	7.3%
90 days	0.4	1.9	27,677,028	9.2%
120 days	0.4	1.9	42,831,027	14.2%

This table indicates that the Company's shares display a low level of liquidity, with 14.2% of the Company's issued capital at 19 December 2013 being traded in the 120 day (4 month) period to 19 December 2013. We consider the level of trading in the Company's shares to be insufficiently adequate meet the criteria in order for the trading in the Company's shares to be considered as "deep".

Notwithstanding our opinion that the quoted market price basis is not a reliable valuation basis for our assessment, for the purpose of comparison, in our opinion a range of values for MYA shares based on market pricing, after disregarding post-announcement pricing, is between 0.4 cents and 1.9 cents per share, with a preferred pricing of 1.2 cents.

Control Premium

Share prices from share market trading do not reflect the market value for control of a company as they are in respect of minority interest holdings. Traditionally, the premiums required to obtain control of companies range between 15% and 25% of the minority interest values.

Quoted market price including control premium

Applying these control premiums to MYA's quoted market share price results in the following quoted market price values including a premium for control:

	Low Cents	Preferred Cents	High Cents
Quoted market price value	1.2	1.2	1.2
Quote market price value (assuming a 1 for 4 consolidation)	4.8	4.8	4.8
Control premium	15%	20%	25%
Quoted market price value inclusive of a control premium (post consolidation)	5.52	5.76	6.0

Therefore, our valuation of a MYA share based on the quoted market price method and including a premium for control is between 5.52 cents and 6.0 cents with a preferred value of 5.76 cents

Recent capital raising

We note that additional capital has been raised by MYA on the back of the Proposed Transaction with IWG. Capital was successfully raised at 4 cents. On a post consolidation basis, this would equate to 16 cents.

7.4 Assessment on the Fair Market Value of a MYA Share

The results of the net asset, quoted market price and recent raising valuations (on a post consolidated basis) are summarised in the table below:

	Low cents	Preferred cents	High cents
Net assets (Section 7.3.1)	2.26	2.26	2.26
Quoted market price (Section 7.3.2)	5.52	5.76	6.0
Recent raising (Section 7.3.2)	16.0	16.0	16.0

As it is our opinion that the trading in MYA shares is illiquid and the recent capital raising is reflective of the Proposed Transaction we believe the most appropriate method of valuation of MYA shares in accordance with RG 111 is the net assets method.

Based on the results above we consider the value of a MYA share to be between 2.26 cents and 6.0 cents per share, with a preferred value of 2.26 cents per share.

8. PROFILE OF IWG

8.1 Company History

IWG is the owner of intellectual property including patents in the United States of America, Europe and Australia, which relate to computer networking technology. IWG has patented software that increases the security and functionality for the transfer of information. Its software is next generation award winning security* which significantly reduces the costs, complexity and risk of making network services available externally.

*2012 Global Security Challenge – Worldwide Winner

8.2 Assets

The Company's assets comprise predominantly cash, trade receivable and intangible assets. An extract of the Company's unaudited management accounts for the half year ended 31 December 2013 together with the unaudited management accounts for the year ended 30 June 2013 is shown at Sections 8.4 and 8.5 of this report.

8.3 Legal Structure

IWG comprised of a consolidated group. Full details of the corporate structure are outlined in Section 2.6 of the Notice of Meeting.

8.4 Financial Performance

Extracts of the Company's unaudited financial results for the six months to 31 December 2013 and unaudited financial results for the year ended 30 June 2013 are set out below:

	Half Year to 31 December 2013 \$	Year to 30 June 2013 \$
Revenue		
Licence and customisation	285,417	750,564
Development & Commercialisation Support	513,024	1,224,651
Interest	2,022	23,045
Operating expenses	(405,127)	(981,382)
Other expenses	(1,087,405)	(1,779,858)
Loss before income tax	(692,069)	(762,980)
Other comprehensive income/(loss), net of tax	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(692,069)	(762,980)

IWG's main sources of income for have been from the sales and servicing of a range of network resources and business apps as a software platform. When deployed, the platform establishes a secure and collaborative network between existing networks and other potentially dangerous internal and/or external networks like the Internet.

8.5 Financial Position

Extracts of the Company's unaudited financial position as at 31 December 2013 and audited financial position as at 30 June 2013 are set out below:

	31 December 2013 \$	30 June 2013 \$
Current Assets		
Cash and cash equivalents	1,246,639	324,714
Trade and other receivables	436,428	671,501
Total Current Assets	1,683,067	996,215
Non-Current Assets		
Plant and equipment	36,305	36,305
Intangibles	-	-
Total Non-Current Assets	36,305	36,305
Total Assets	1,719,372	1,032,520
Liabilities		
Current Liabilities		
Trade and other payables	(317,747)	(172,556)
Total Current Liabilities	(317,747)	(172,556)
Non-Current Liabilities		
Financial liabilities	(3,050,955)	(1,967,224)
Total Non-Current Liabilities	(3,050,955)	(1,967,224)
Total Liabilities	(3,368,702)	(2,139,780)
Net Assets	(1,649,330)	(1,107,260)
Equity		
Issued capital	2,782,407	2,632,408
Accumulated losses	(4,431,737)	(3,739,668)
Total Equity	(1,649,330)	(1,107,260)

Over the last 3 years iWebGate has been funded from its operating surpluses, investors' funds, and commercialisation funding grants. The company is now looking to now benefit from the roll out of its products worldwide with the initial focus on the USA and Asia Pacific markets.

9. VALUATION OF IWG

9.1 Valuation Adopted

We consider that the most appropriate method for the valuation of IWG is the net asset basis.

Whilst we considered the various valuation methods as outlined in Section 7 of this report, we note that the major asset of IWG is its intangible assets. To this end, Valutech Pty Ltd, a company specialising in market research on high technology products and the valuation and assessment of identifiable intangible assets was engaged to provide a of IWG intangible assets. Valutech's full report is attached as Appendix 2 to this Report.

9.23 Net assets on a going concern method of valuation of IWG

Our valuation of IWG on a going concern method of valuation is set out in our valuation calculations below.

Statement of Financial Position	Note	Unaudited 31 December 2013 \$	Valuation Low \$	Valuation Preferred \$	Valuation High \$
Current Assets					
Cash and cash equivalents		1,246,639	1,246,639	1,246,639	1,246,639
Trade and other receivables		436,428	436,428	436,428	436,428
Total Current Assets		1,683,067	1,683,067	1,683,067	1,683,067
Non-Current Assets					
Plant and equipment		36,305	36,305	36,305	36,305
Intangibles	1	-	14,700,000	16,600,000	18,900,000
Total Non-Current Assets		36,305	14,736,305	16,636,305	18,936,305
Total Assets		1,719,372	16,419,372	18,319,372	20,619,372
Liabilities					
Current Liabilities					
Trade and other payables		(317,747)	(317,747)	(317,747)	(317,747)
Total Current Liabilities		(317,747)	(317,747)	(317,747)	(317,747)
Non-Current Liabilities					
Financial Liabilities		(3,050,955)	(3,050,955)	(3,050,955)	(3,050,955)
Total Non-Current Liabilities		(3,050,955)	(3,050,955)	(3,050,955)	(3,050,955)
Total Liabilities		(3,368,702)	(3,368,702)	(3,368,702)	(3,368,702)
Net Assets		(1,649,330)	13,050,670	14,950,670	17,250,670

We have made the following adjustments to the net assets of IWG as at 31 December 2013 in determining our valuation:

1. Intangible assets

- Valutech Pty Ltd was engaged to provide a valuation of IWG's intangible assets. The full report is set out in Appendix 2, which notes a valuation range of \$14,700,000 to \$18,900,000 with a preferred value of \$16,600,000.

10. VALUATION OF PROPOSED MERGED ENTITY

The following proforma sets out the combined group following completion of the proposed transaction. For the purposes of this comparison, we have compared the position of a MYA shareholder prior to the raising of additional capital as contemplated by the NOM.

Statement of Financial Position	Note	Valuation Low \$	Valuation Preferred \$	Valuation High \$
Current Assets				
Cash and cash equivalents		1,992,618	1,992,618	1,992,618
Trade and other receivables		519,809	519,809	519,809
Total Current Assets		2,512,427	2,512,427	2,512,427
Non-Current Assets				
Plant and equipment		36,305	36,305	36,305
Intangible assets		14,700,000	16,600,000	18,900,000
Total Non-Current Assets		14,736,305	16,636,305	18,936,305
Total Assets		17,248,732	19,148,732	21,448,732
Liabilities				
Current Liabilities				
Trade and other payables		(466,307)	(466,307)	(466,307)
Total Current Liabilities		(466,307)	(466,307)	(466,307)
Non-Current Liabilities				
Financial liabilities		(1,185,261)	(1,185,261)	(1,185,261)
Total Non-Current Liabilities		(1,185,261)	(1,185,261)	(1,185,261)
Total Liabilities		(1,651,568)	(1,651,568)	(1,651,568)
Net Assets		15,597,164	17,497,164	19,797,164

	Number	Number	Number
Shares on issue (post consolidation)	583,833,272	583,833,272	583,833,272
Value per share (cents) on a control basis	2.67	3.00	3.39

RG 111 requires the valuation to allow for the fact that MYA shareholders will be holding a minority position in the combined entity. It is therefore appropriate to apply a discount for this minority interest. The concept of the minority interest value is discussed more detail at Section 7.3.2.

We have assessed in Section 7.3.2 a preferred discount of 20%.

	Low cents	Preferred cents	High cents
Value per share (cents) on a control basis as per above	2.67	3.00	3.39
Discount for minority interest	20%	20%	20%
Value per share (cents) on a minority basis	2.14	2.40	2.71

11. ASSESSMENT OF WHETHER THE PROPOSED TRANSACTION IS FAIR

RG 111 defines an offer as being fair if the value of the offer price is equal to or greater than the value of the securities being the subject of the offer. Set out in the table below is a comparison of our assessment of the fair market value of a MYA share with the value of the consideration pursuant to the Proposed Transaction.

	Cents
Value of a MYA share pre transaction (preferred basis)	2.26
Value of a MYA share post transaction (preferred basis)	2.40

As the amount offered is greater than the assessed fair market value of a MYA share, it is our opinion that the Proposed Transaction is fair.

12. CONSIDERATION WHETHER THE PROPOSED TRANSACTION IS REASONABLE

In accordance with RG 111, an offer can be reasonable even though it is not fair. On this basis, we have identified the following factors in relation to the reasonableness of the Agreement:

Advantages

- The Proposed Transaction is considered fair;
- The investment in IWG may add significant value to the Company shares (as demonstrated by trading activity since the proposed transaction was announced. Should the proposed transaction not proceed, it is likely that the share price would return to pre-announcement levels;
- Existing shareholders can share in any future success of IWG;
- Appointment of new directors

Disadvantages

- The issue of shares to the vendors will increase the voting power of the vendors from 0.3% to 79.9%, thus reducing the voting power of non-associated shareholders in aggregate from 99.7% to 20.1% (prior to the raising of additional capital);
- Existing shareholders will have their current shareholdings diluted by approximately 80% in aggregate, which may lead to a decrease in the price of their shares; and
- The company and its shareholders will be exposed to all of the risks in relation to IWG and its business as outlined in the notice of meeting.

We have considered the above factors. We are of the view that the position of the non-associated shareholders if the resolution giving rise to the Proposed Transaction is passed, would be more advantageous than if the resolution was not passed. Accordingly, we are of the opinion that the Proposed Transaction is reasonable to the non-associated shareholders.

13. SOURCES OF INFORMATION

In preparing this report we have had access to the following principal sources of information:

- Draft notice of meeting and explanatory statement concerning the Proposed Transaction;
- MYA's Annual report for the year ended 30 June 2013 and half year report for the period ended 31 December 2013;
- IWG's Financial report for the year ended 30 June 2013 and management report for the period ended 31 December 2013
- Discussions with officers of MYA;
- Publicly available information;
- Share registry information;
- ASX Announcements concerning the Proposed Transaction; and
- Valuation report of IWG's Intellectual Property assets prepared by Valutech Pty Ltd.

14. QUALIFICATIONS, DECLARATIONS AND CONSENTS

HLB, which is a wholly owned entity of HLB Mann Judd Chartered Accountants, is a Licensed Investment Adviser and holder of an Australian Financial Services Licence under the Act and its authorised representatives are qualified to provide this Report. The authorised representative of HLB responsible for this Report has not provided financial advice to MYA.

The author of this report is Norman Neill. He is a Member of the Institute of Chartered Accountants in Australia, holds a Bachelor of Business, and has considerable experience in the preparation of independent expert reports and valuations of business entities in a wide range of industry sectors.

Prior to accepting this engagement, HLB considered its independence with respect to MYA with reference to ASIC Regulatory Guide 112 and APES 225. In HLB's opinion, it is independent of MYA.

This Report has been prepared specifically for the shareholders of MYA. It is not intended that this Report be used for any other purpose other than to accompany the Notice of Meeting to be sent to the MYA shareholders. In particular, it is not intended that this Report should be used for any purpose other than as an expression of the opinion as to whether or not the Proposed Transaction is fair and reasonable to the non-associated shareholders of MYA. HLB disclaims any assumption of responsibility for any reliance on this Report to any person other than those for whom it was intended, or for any purpose other than that for which it was prepared.

The statements and opinions given in this Report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this Report, HLB has relied on and considered information believed, after due inquiry, to be reliable and accurate. HLB has no reason to believe that any information supplied to it was false or that any material information has been withheld.

HLB has evaluated the information provided to it by MYA and other parties, through inquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially misstated or would not provide a reasonable basis

for this Report. HLB has not, nor does it imply that it has, audited or in any way verified any of the information provided to it for the purposes of the preparation of this Report.

In accordance with the Act, HLB provides the following information and disclosures:

- HLB will be paid its usual professional fee based on time involvement at normal professional rates, for the preparation of this Report. This fee, estimated to be in the range of \$10,000 to \$15,000 excluding GST, is not contingent on the conclusion, content or future use of the report.
- Apart from the aforementioned fee, neither HLB, nor any of its associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this Report.
- HLB and its directors and associates do not have any interest in MYA.
- HLB and its directors and associates do not have any relationship with MYA or any associate of MYA, other than the firm of HLB Mann Judd being the appointed auditor of MYA.

Yours faithfully

HLB MANN JUDD CORPORATE (WA) PTY LTD

Licensed Investment Advisor (AFSL Licence number 250903)



N G NEILL

Authorised Representative

APPENDIX 1

Appendix 1 - Glossary of Terms

TERM	DEFINITION
Announcement Date	Date the event giving rise to the Proposed Transaction was announced to ASX being 19 December 2013
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange Limited
DCF	Discounted cash flows
Directors	Directors of MYA
EBIT	Earnings before Interest and Tax
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
FME	Future maintainable earnings
HLB	HLB Mann Judd Corporate (WA) Pty Ltd
MYA or the Company	My ATM Holdings Limited
Notice of Meeting	The Notice of General Meeting and Explanatory Statement for the meeting to be held on 10 September 2014.
Proposed Transaction	The issue of 465,972,916 ordinary shares in the capital of MYA.
Report	Independent expert's report prepared by HLB
Non-associated shareholders	Existing shareholders in MYA who are not associated with IWG

APPENDIX 2

Appendix 2 – Independent valuation of intangible assets prepared by Valutech Pty Ltd.



Valutech Pty Ltd
100/101 St Georges Terrace
Perth WA 6000
Australia
Tel: +61 (0)8 9439 1000
Fax: +61 (0)8 9439 1001
Email: info@valutech.com.au
Website: www.valutech.com.au

8 July 2014

The Directors,
My ATM Holdings Limited
Level 24, 44 St Georges Terrace
PERTH WA 6000

Mr N. Neill
Director
HLB Mann Judd Corporate (W A) Pty Ltd
Level 4, 130 Stirling Street
PERTH WA 6000

Dear Sirs,

**INDEPENDENT SPECIALIST REPORT
VALUATION OF INTANGIBLE ASSETS OF IWEBGATE TECHNOLOGY LIMITED**

1. INTRODUCTION

My ATM Holdings Limited ('MYA') has entered into a Heads of Agreement with iWebgate Technology Limited ('IWG' or 'iWebGate') to acquire 100% of all rights and title in all the issued capital of IWG.

iWebgate Technology has created a range of network resources and business applications as a software platform which can be deployed as a secure and collaborative network between existing networks and other internal or external networks available on the internet. The platform can be deployed rapidly either within a business or on the internet and enables the deploying organisation to implement next generation security and provide network resources and applications as a service to many networks. The network architecture of the platform removes the need for redundant technologies like Virtual Private Networks and complex firewalls resulting in more capabilities, better security, speed and ease of use with significant cost reductions for Internet, on-site or hybrid network environments.

In order to provide an impartial report to shareholders to accompany a Notice of Meeting to consider the acquisition, the Board is undertaking to determine whether the proposed acquisition is fair and reasonable to holders of the Company's ordinary securities. To this end, MYA has engaged HLB Mann Judd Corporate (WA) Pty Ltd, ('HLB') to prepare an Independent Expert's Report as required by Australian Securities Exchange Listing Rule 7.1 and Section 611 of the Corporations Act in relation to the proposed transaction. To assist in the preparation of this report, HLB has requested Valutech Pty Ltd to prepare a valuation of IWG's intangible assets in the form of a report that could be attached to the Independent Expert's Report assessing the fairness and reasonableness of the proposed acquisition.

This report is provided by us in our capacity as a specialist in the assessment and valuation of intangible assets including intellectual property. The information and comments it contains are to be used by HLB, the independent expert, as part of its assessment as to whether the proposed acquisition is fair and reasonable to MYA shareholders.

For the purposes of our assessment, fair market value is defined as being a price within a range of prices available in an open and unrestricted market which might be negotiated between informed, prudent parties acting at arm's length and under no compulsion to act, expressed in terms of money or money's worth. We have taken into account the current plans of IWG for utilising and developing its assets and associated products as well as the financial history and current financial projections of IWG.

2. RESTRICTIONS

This report will be included as an Appendix to HLB's Independent Expert's Report and is not to be used by IWG or MYA for any other purpose or in another context without our prior written approval. In the event that we provide written approval to the issue of the report in another context, we will need to approve the form in which it is released and be satisfied as to the context of its release. We may also require the report to be issued under a suitable covering letter from our firm.

3. BACKGROUND: IWEBGATE TECHNOLOGY LIMITED, ITS TECHNOLOGY AND ITS MARKET

iWebGate was originally set up in 2005 as a result of a common problem that was being experienced in computer networks at that time. As the security of networks was increased, particularly for small to medium businesses reliant on computer networks connected to the internet, companies found that the ability of these networks to receive or send information became more limited and this increasingly hampered the ability of these companies to operate effectively with customers and suppliers of information. Furthermore, to overcome these problems, most companies were reliant on the engagement of specialised programmers to set up and maintain the networks.

The first product that the company developed was called "DMZ in a box". DMZ or Demilitarized Zone (or perimeter network) is a term used in computing for a physical or logical subnetwork that contains and exposes an organization's external-facing services to a larger and untrusted network, usually the Internet. Its purpose is to add an additional layer of security to an organization's local area network (LAN); an external attacker only has direct access to equipment in the DMZ, rather than any other part of the network. At the time of iWebGate's foundation, DMZ solutions had limited use as they were often expensive and technically difficult to set up and maintain. iWebGate's product was an off-the-shelf solution that would enable any small, medium or large enterprise to establish an affordable, scalable and valuable DMZ solution in less than 20 minutes without the need to engage specialist programmers.

The product enabled iWebGate to win the prize of the Security Small to Medium Enterprise of the year 2010 in the Global Security Challenge which was set up by the London Business School and is sponsored by the US Government. As a result of this award, iWebGate established links with the Northrop Grumman Corporation and the University of Maryland, Baltimore County (UMBC) Research Park Corporation which have Cync, a cybersecurity technology incubator initiative incorporating IWG as its first international participant. As part of the collaboration with Northrop Grumman, the large US corporation will identify opportunities for IWG to compete as a supplier across its whole product range.

IWG developed other products to complement its "DMZ in a box" offering. VLAN/MP2P (Virtual Local Area Network Multi Peer to Peer) was software that enabled communication with remote networks without having to pass through Virtual Private Network servers which could hamper or slow communications. This reduced the broadcast traffic on a network thus assisting in increasing the speed of communications and worked in conjunction with the "DMZ in a box" product to increase security. Another product iConnect Peering, used the VLAN/MP2P product and enabled administration of connectivity to other computers with the potential for expansion to other features such as application sharing, remote desktop access and file and folder sharing.

Further development of these products to the point where they could be combined into bundled software which could be installed without the need for specialist programming resulted in the current iWebGate platform product which is presented as a "ghost" network which can replace many of the functions currently provided over Virtual Private Networks (VPNs) but without some of the performance issues associated with VPNs such as security and access limitations. IWebGate has now embarked on a significant repositioning of

its product with the change from separate low cost packages to an integrated bundle which can provide security features and a range of multi-tenant and Virtual Invisible Network (VIN) services depending on customer needs. This will involve a different use of marketing channels, a different marketing program and a different pricing structure as well as a shift from marketing products to customers through integrators to a better utilisation of sales channels through Infrastructure as a Service (IaaS) providers, firewall and software OEMs (original equipment manufacturers) selling network security solutions and communications organisations selling packaged cloud solutions to their customers.

3.1 The Market

The iWebGate platform solution will be competing in the rapidly expanding market for Software Defined Networking (SDN) which is a natural evolution of networks which were originally based on hardware which controlled switching of communications between networks. Over time, controllers of these hardware switches evolved so that through software programming, administrators could have programmable control of network traffic via the controller without requiring physical access to the hardware switches. This led to the provision of virtual services through the Software Defined Networking (SDN) layer (virtualisation). This in turn resulted in the development of elastic cloud architectures and dynamic resource allocation across networks with the development of mobile computer operating systems and networks and use of virtual machines operating independently of the underlying physical network.

One application of SDN is Infrastructure as a Service (IaaS) where virtual networking can be combined with virtual machines and virtual storage to allocate resources effectively across enterprises. This facilitates the management of network services and overcomes many of the complexities previously associated with additions, changes, mergers, acquisitions and movements of users on established networks without having to change the existing infrastructure of potentially thousands of switches and routers underpinning the networks.

Market research reports are indicating that the SDN market will grow six fold over the next five years driven mainly by the increasing need for mobility and efficient network infrastructure but also by the increasing demand for cloud services. This growth is expected in both the public and private sectors of cloud computing as well as in the traditional enterprise data centre sections of the market. Transparency Market Research¹ has predicted that the global market for SDN will reach more than US\$3.5 billion by 2018 with cloud service providers being the fastest growing segment of end users. As cloud environments grow, the development and implementation of applications will change, including the ways that make them agnostic to the network. SDN has become essential for the further growth and development of the cloud and its utilisation. Reviews of the industry indicate that one of the major drivers for the adoption of new networking software will be commercial-off-the-shelf (COTS) products for the establishment and management of cloud networks².

Some of the factors inhibiting the growth of the market are lack of standardisation and awareness among buyers. But the opportunity for providers is the rapid technological advances being made in network architecture and technologies and the increasing BYOD (Bring Your Own Device) adoption requirements meaning that networks must be more accommodating of the diversity of hardware being used on them. It is expected that the SDN market will have a large impact on intrusion detection and prevention systems, enterprise firewalls and content security. This is because these segments interact directly with network traffic. As the demand for cloud computing increases, the demand for efficient flow of information through the network grows and the security dimension of the network will need to change to facilitate flows without compromising security. This security interface area is seen as one of product disruption and the source of start up activity to exploit the opportunity. One report has noted that one of the challenges to SDN adoption is that controller peer-to-peer security mechanisms are not yet established, so unless an enterprise controls

¹ Software Defined Networking (SDN) Market - Global Industry Analysis, Size, Share, Growth, Trends, and Forecast, 2012-2018. Transparency Market Research 21/8/2013

² Sizing the SDN Market Opportunities, Lee Doyle, Open Networking Summit April 15, 2013

and manages an entire network domain, virtual or physical, the benefits of SDN are limited to those areas in the domain under the enterprise's control³.

At present, iWebGate is a very small player in this market. However its market focus is relevant to many of the key issues facing the SDN market in coming years. The company has developed:

- A commercial-off-the-shelf (COTS) product
- That presents a new approach to network security without affecting information flow
- Enables establishment of cloud services rapidly without the need for expert programmers for installation and maintenance
- Enables enterprise control and management of entire network domain
- Provides multi-tenanted networks which can be on-sold by IaaS resellers.

The product does not require further technical development and is market ready so the ability of the product to penetrate the market will be heavily reliant on the sales and marketing skills of the company combined with its major resellers in target markets.

However there are many larger companies offering platform security and service solutions in the market as indicated in the following table:

Some Current SDN Platforms in the Market

Company	Platform/Architecture
Big Switch Networks	Open SDN Platform
Cisco	eXtensible Network Controller (XNC)
IBM	Software Defined Network for Virtual Environments
Midokura	Midonet
Juniper Networks	Contrail
NEC	ProgrammableFlow Networking Suite
Nuage Networks	Virtualized Services Platform (VSP)
Plexxi	Affinity
Pica8	PicOS
VMware	NSX network virtualisation platform
Cisco Meraki	Cloud Networking
Firehost	Intelligent Security Model™ Secure Cloud Hosting

All of the companies in the above table already have a high profile in the SDN market and if potential buyers are not fully aware of developments in the market as reported in several market research reports, many buyers may be inclined to deal with established providers in the market.

³ Software-Defined Networking: Beyond The Hype, And a Dose of Reality, Mike Spanbauer, NSS Labs October 2013

4. ASSETS OF IWEBGATE LIMITED

Discussions with iWebGate and a subsequent review of company material indicates that the company has the following intangible assets which have relevant value:

- Patents taken out by iWebGate or patent applications made
- Software in the form of copyright material or material subject to copyright in the software products of iWebGate and supported by patents taken out as referred to above.

IWG has advised that has it the following patents and patent applications:

1. US Patent entitled "System and Method for Multiple Concurrent Virtual Networks" issued 24 December 2013. (US Patent No. 8,615,014)

This patent embodies iWebGate's Virtual Invisible Network (VIN), which is a meshed virtual network topology, without exposing end-points to unauthorised users, with security benefits over virtual private networks and enabling rapid creation of multi-tenanted virtualised networks. This patent has been granted in the US and has entered the National Phase in Australia (PCT/AU2011/000247), and is being applied for in Europe and China. The company is currently in the process of expanding the claims of this patent.

2. US Patent Application entitled "Method and System for Digital Communication Security Using Computer Systems" filed 30 November 2010 and published 2 June 2011

This patent application covers inspection of received data packets within a virtual network (iWebGate's platform), sending of this inspected data packet to the protected network if it passes inspection or blocking passage if it fails inspection.

3. Australian Patent Application entitled "System of amalgamated search results across public and multiple private networks" Application number 2013900749 filed 5 March 2013.

This patent application covers authentication of users across iWebGate's Virtual Invisible Network.

The software developed by iWebGate for its software platform is covered by these three patents and is held in a multiple repository system by iWebGate in a modularised form with restricted access and subject to audit and regulatory procedures.

5. COMMERCIALISATION APPROACH

Various forms of the above technology have already been commercialised. Previously they were offered as a low cost solution for small to medium companies looking to institute high quality security systems without the usual overheads of qualified programming staff. This enabled the company to gain initial market penetration with a growth from a customer base of 330 firms and 180,000 users in 2011 to 1,050 companies and 470,000 users in 2014 but only a modest growth in revenues. This commercialisation was based on sales direct to customers and to network integrators. With the new product offering from IWG, the company will have to broaden its market focus to Infrastructure as a Service (IaaS) providers, firewall and software resellers, distributors and resellers looking for service offerings on the internet and software and hardware companies looking for software bundles to combine with existing products to improve sale profiles. In line with these changes, the company has had to review its market offerings by moving from fixed price software to ongoing revenue streams based on platform installation and ongoing services fees to users per month per service. The repositioning means that the company will need to move away from the provision of services to small to medium enterprises to a focus on larger enterprises looking to reduce the costs of their network management and security which can be achieved through adopting the iWebGate platform solution. The company will still be able to provide services to the small and medium enterprises through cloud aggregators offering iWebGate as a service where iWebGate's multi-tenanted architecture can be scaled to the organisations requiring services.

These changes mean that the company will have to make significant changes to its sales channel marketing material and this could have significant risks for the company's ability to generate revenues in the short to medium term. This shift is being assisted to a degree by collaborations IWG is forming with reseller companies in target markets. For example, in 2010, IWG won a Telstra innovation challenge award for its "DMZ in a box" solution. Prior to this, IWG and Signature Software had collaborated to deliver a fully integrated and web-based KPI/benchmarking management system for Telstra based on "DMZ in a box" and third part business intelligence software which enabled all Telstra-licensed retail stores to deliver KPI data entry efficiently while providing flexible reporting facilities. IWG expect to expand its interaction with Telstra not only to the provision of further corporate services but to the opportunity for Telstra to sell the IWG platform as a white-labelled product. Also in the Australian market, IWG is scaling up collaborations it had with system integrators in the health market to enter tenders for larger health system networks based on the IWG platform solution.

In the US market, Northrop Grumman has been able to provide introductions for IWG to make key presentations to a large range of organisations in the government and defence sectors, school and university systems, mining companies and on-line retail companies based on the contacts Northrop Grumman has developed and the areas of past activity by IWG. As a result of these introductions, proposals for installation of the IWG platform have been made.

In its commercialisation promotion, IWG appears to have some advantages as set out in Section 3 with a platform that is commercial-off-the-shelf, can be deployed rapidly and does not require skilled programmers for installation and ongoing management.

6. ADVANTAGES AND RISKS

iWebGate's platform has many advantages that are currently being sought by companies and enterprises seeking to set up cloud platforms and networks that require security features and well as the ability to receive and send information without security barriers hampering interchange. These advantages include being a developed commercial off-the-shelf product that can be rapidly deployed without the need for skilled and expensive programmers. The solution it offers is award winning in several markets and is likely to be promoted by key companies in the target markets outside those companies already offering solutions in the Software Defined Networking (SDN) markets.

There are no further technical developments which have to be made to make the current IWG platform effective in target markets, so there are no technical risks that could hamper commercialisation at this stage. It is expected that future developmental hurdles likely to occur in the market such as an increasing need for Networks Functions Virtualisation (to handle the increasing diversity of network hardware in use) can be overcome as the market and developers become educated in requirements.

On the other hand, the SDN market is very competitive with large corporations offering ranges of products or prepared to acquire corporations that have a large footprint in the market and offer creative solutions. IWG can expect to face significant competition particularly in the North American market where it has commenced shifting its marketing and sales resources. In this market, where there is a need to spend time and resources educating buyers of SDN products, it may be difficult to gain sufficient traction before other sweeping changes in the market cause paradigm shifts in the computer and communications network market that is currently facing major growth and utilisation issues.

Even though iWebGate has a complete product ready for commercialisation, and deployable at relatively low cost, it is very likely that current expectations for sales will not be met due to the offering of alternative solutions by larger corporations in the market. As a result, we consider that there are significant risks associated with the commercialisation of the iWebGate platform in all target markets until the company can demonstrate a significant number of key customers are using its platform to gain a better profile in the market.

7. VALUATION OF INTANGIBLE ASSETS INCLUDING INTELLECTUAL PROPERTY

The assets to be valued are the patents described in Section 4 of this report and the associated software in the iWebGate software platform which is currently being offered in the US, Australian, Asia Pacific and European markets.

For these assets to be valued, they must

- Be specifically identifiable and recognisable
- Be subject to legal existence and production
- Be subject to the right of private ownership, which is legally transferable
- Have tangible evidence of existence
- Be created at an identifiable time or as the result of an identifiable event
- Be subject to being destroyed or to a termination or existence
- Confer a commercial benefit to the owner of the asset.

Our review of the material referred to in Section 4 above indicates that the listed assets meet these requirements.

For the valuation of these assets, there are three general approaches that might be employed: the market approach, the cost approach and the income approach.

While some technology assets can be readily appraised by all three approaches, the indications of value resulting from each approach are often assigned different weights in arriving at a conclusion of value, based on the quantity and quality of data supporting each approach.

7.1 Market-Based Approaches

A reasonable approach to valuing intangible assets is to look for market comparisons, based on the widely held belief that the market (i.e. the economic environment where arm's length transactions between unrelated parties occur) is typically the best indicator of the value of an asset. This involves a search of the appropriate exchange market to obtain information on sale transactions, listing and offers to purchase or licence comparable assets that are similar to the subject in terms of characteristics such as technology type, technology use, industry in which the technology functions, date of sale and so forth. Allowance must then be made for the differences in the technology and the nature of the environment for any previous sale of technology.

In the case of the valuation of intellectual property in the software defined networking market, there are some basic problems with the market approach to valuation in that the market for such technology is very diverse and there is little publicly available information on sales of similar technologies to that of iWebGate, other than what is made available by parties wishing to promote the value of their assets.

An alternative approach to market valuation would be to consider the market value of iWebGate based on recognised rules of thumb for the valuation of private companies. However, this company is on the threshold of entering new markets with new products and this approach may not be a reliable approach for the valuation of IWG considering that previous business operations have been restricted to the Australian market with a different product offering.

One indication of market value is the recent acquisition for approximately US\$1.2 billion of Meraki Inc. by Cisco, the worldwide leader in networking hardware and systems. Meraki was regarded as a leader in cloud networking and had built up a significant market presence by offering easy-to-deploy on-premise networking solutions that can be centrally managed from the cloud. Cisco made the acquisition so that it could offer the market more software-centric solutions to simplify network management, help customers empower mobile workforces and generate new revenue opportunities for partners. While IWG has considerably less market presence than Meraki, it is offering similar solutions for the management of cloud networks so the acquisition indicates that this section of the market can attract significant value propositions.

7.2 Cost-Based Approaches

With regard to cost based valuation approaches, the most common types of cost based valuations that are used for technology and other intangible asset valuation purposes are reproduction cost and replacement cost. Reproduction cost is the total cost, at current prices, to create an exact duplicate asset or technology using the same scientific research, design and development methods used to create the original technology.

The replacement cost is the total cost to create, at current prices, a technology having equal utility to the technology being valued. However, the replacement technology would be created with contemporary scientific research, design and development methods. Accordingly, the replacement technology may have greater utility in terms of commercial potential and technological accomplishment than the subject property.

Replacement cost of the technology as new technology typically establishes the maximum amount that a prudent investor would pay for a fungible, or replaceable, asset. However, in some cases, the technology may be so unique that it is not replaceable and in these circumstances, replacement cost as new may not establish the maximum amount that a buyer would pay for the subject asset.

To the extent that an asset is less than an ideal replacement for itself, the value of the subject technology may need to be adjusted for losses in economic value due to functional obsolescence, technological obsolescence and economic obsolescence.

In the case of IWC's platform, there are clear indications as to what has been spent to develop the technology and this can form the basis for a valuation approach. The technology is currently in a mature form and does not require any further development for commercialisation. As a result, all of the funds have been used to overcome limitations or risks that the technology might not meet expectations. Furthermore, even though two of the patent applications associated with the platform have not yet been issued, the fact that the technology development has been completed and the effectiveness of the technology demonstrated suggests that until demonstrated otherwise, the patents applications can in effect be considered to be viable patents and have value equivalent to issued patents. IWG has indicated that up to 31 December 2013, \$9.14 million was spent to develop its technology and this is included in the company's asset register. In the absence of any indication that the technology is not viable in the market, and in view of the fact that the company has won a number of awards for the technology and the technology is being promoted to a number of high profile potential customers in competitive markets in Australia and the United States, the funds spent to develop the technology could be considered as a reasonable indicator of value of the technology. Furthermore, the fact that the technology gained high profile by winning for the company an international security competition, and the fact that one of the largest technology companies in the US market is promoting it within its corporation and with selected clients indicates that some premium should be associated with the technology and the value could be more than the funds spent to date. This approach to valuation can only be indicative without clearer market information to support a valuation of the technology.

7.3 Income-Based Approaches

In situations where there is a clear link between the subject intangible asset and economic returns or income, a valuation based on an income approach is usually preferred. There are a number of measures of economic income that may be relevant to the various income approach methods, including:

- Gross or net revenues
- Gross income or gross profit
- Net operating income,
- Net income after tax
- Operating cash flow
- Net cash flow
- Margins attributable to intellectual property such as licensing income or its equivalent.

Several categories of income approach methods are listed below:

1. Methods that quantify incremental levels of economic income (i.e. the owner of the intellectual property or asset will benefit from a greater level of economic income by owning the technology than by not owning it).
2. Methods that quantify decremental levels of economic cost (i.e. the owner will benefit from lower levels of costs as a result of ownership)
3. Methods that estimate a relief from a hypothetical royalty or rental payment (i.e. the amount of a royalty that the owner would be willing to pay to a third party in order to obtain the use of and rights to the intellectual property) (Note: this approach ignores benefits that can be gained by internalising costs or applying the intellectual property to other products).
4. Methods that quantify the difference in value of an overall business enterprise as the result of owning the subject technology or intellectual property
5. Methods that estimate the value of the intellectual property as a residual from the value of an overall business enterprise or as a residual from the value of an overall estimation of the total intangible value of a business enterprise.

Income approach methods of valuation are commonly used with regard to technology assets and intellectual property valuation if the assets are already providing or about to provide commercial returns and are at the very core of the commercial operation. In the case of IWG, the technology is already being commercialised and is already enabling the company to gain financial grants since June 2012 which have exceeded returns from product sales. Many of these grants have resulted from the international and local trade competitions that IWG has won in that time and, as indicated in section 5, revenues have tended to be low because of the business model adopted until the end of 2013 which enabled the customer base for the product to be expanded without significant increases in revenues. With this observation, valuation of the intellectual property on the basis of past income is likely to provide only a low value but this does not take into account the recent refinement of the IWG platform and the push by local organisations in the US and Australian markets to commercialise the IWG platform to medium and large organisations

In our review of the intangible assets of iWebGate and their valuation, we concluded the following:

1. The major asset held by iWebGate is the software in the iWebGate platform and the associated issued patent and patent applications. While we would not associate much value with the patent applications because they have not yet been awarded, we consider that much of the value is in the software developed because development of the final product is complete, has been used to develop a substantial market of customers in Australia and forms the basis of a new sales and marketing campaign which could generate significant revenues not only in the Asia Pacific market but also in North America and Europe where it is likely to be promoted by significant corporations in the computer network market including Northrop Grumman.
2. The intellectual property in the software meets many of the key features being sought by users in the Software Defined Networking (SDN) market such as commercial-off-the-shelf product, rapid installation, avoidance of the need for skilled programmers for installation and maintenance, the provision of a novel solution to ensure security without hampering the transfer of information across the network.
3. As the technology is predominantly software, value forms a large percentage of revenues generated from sales of the platform.

In view of the above, we could value the patents and associated software using a cost approach for indicative purposes only, but an income approach would be more suitable as commercialisation is currently in process.

8. VALUATION OF IWEBGATE INTANGIBLE ASSETS

The following sets out our views on the valuation on the intangible assets of iWebGate as listed in Section 4 of this report.

A review of available material indicates that iWebGate has spent around \$9.14 million to develop the software and associated intellectual property to the current stage but at least \$10 million will have to be spent by the time all relevant patents are granted. The software platform has gained a number of awards in Australia and internationally and the continued interest by Northrop Grumman and other companies in this product suggest that the platform has viability in target markets. A cost-based valuation incorporating some premium for the awards and international interest in the product would provide an indicative value for the intangible assets of between \$13 million and \$15 million.

The subject intangible assets are already being commercialised so a more appropriate valuation approach would be an income-based approach based on assessing the background of past sales and making some assessment of sales into the future, allowing for a royalty rate equivalent on future sales and discounting future projected income based on the technical and commercial risks over a set period for commercialisation.

For the past two years iWebGate has been commercialising earlier versions of its software with sales to customers and through system integrators. It has built up a reasonable market presence on the basis of sales of low cost products and services and is currently changing its sales and market approach with new pricing systems to focus on larger corporations in the Asia Pacific, North American and European markets looking to institute cloud solutions from novel secure platforms linking enterprise networks to the internet. Prior to this change in marketing and sales approach, iWebGate was generating sales of less than \$1 million annually but with a change in its approach, and in collaboration with key partners in Australia and North America it is expecting to generate substantial revenues within two years.

We have reviewed the sales pipelines of iWebGate related to its reentry in the Asia Pacific and North American markets as well as the significantly reduced sales projections of the company based on these sales assessments. We consider them as a reasonable basis for use in an income based intellectual property valuation. We have also reviewed the projections of the Company for its entry in the European market and have used significantly reduced projections as a basis for intellectual property valuation. We have also considered projections incorporating a rapid growth of sales in the first two years followed by some levelling off in sales as the market matures and alternative technology solutions enter the market.

In making our assessments, we have noted the following:

- The target markets are substantial and there is a strong demand by companies for network platforms that are secure, easy to implement, cloud-based and unimpeded by firewalls and other security features which can slow the exchange of information over networks
- The iWebGate Platform is technically complete, is a commercial-off-the-shelf product, requires minimal capability for implementation and management and provides a range of additional features via Infrastructure as a Service (IaaS)
- The iWebGate Platform and its entry into the market will be supported by a number of high profile companies in at least the Asia Pacific and US markets
- There are few or no technical risks in developing the platform further to meet market needs
- There are considerable commercial risks associated with roll out of the platform because of the number of high-profile companies already offering solutions in the computer and communications networking market
- The sales pipeline of the company for the Asia Pacific and North American markets indicate that the company has been able to make presentations to a number of organisations in the government and educational market where simple secure solutions are sought. These pipelines have been used by the company to look at likely revenue projections into the future allowing for a number of prospective clients

not being taken up. We have used these discounted projections as the basis for our valuation calculation with the Asia Pacific and US markets progressing well in 2014 but with a delay of a year in the European market because of the need to build up sales and marketing resources in that market.

We have valued the intangible assets associated with the patents and software listed in Section 4 of this report based on the expectations of the company over the next two years in the Asia Pacific and US markets, and to a lesser extent on expectations for Europe. As a royalty rate equivalent on product sales we have used a margin of 40% given that the company is considering a licensing rate of more than 50%. We have considered projected sales over a five year period because of uncertainties about trends in the market and the possibility that new technology developments in the networking market over the next five years could lead to major changes in selection of network platforms in the future. We have also used a discounted cash flow analysis over the five year period of projected sales of 15% to 25% after tax and the selection of this broad range which represents a moderate to high commercial risk (beta between 2 and 3.5) to take into account the fact that the product is technically complete, is already commercial and generating revenues, but is in the process of substantial repackaging to meet new marketing and sales requirements in highly competitive markets in the medium to large enterprise markets in the US and Europe.

On the basis of these assumptions, we have valued the intangible assets of IWG in the range of \$14.7–18.9 million with our preferred value at \$16.6 million.

9. DISCLOSURE OF BASES AND SOURCES

In forming our opinion of the value of the assets of IWG, we have reviewed and relied upon the following discussions and documents:

- Discussions with Mr Mark Harrell, Managing Director (Asia Pacific), iWebCiate and Mr Greg Macmillan, Executive Director, Australian Heritage
- Discussions with technical solutions architects and chief information officers of various companies.
- Publicly available material.

10. CONCLUSIONS

Two approaches to the valuation of the intangible assets of IWG were considered: cost and income-related approaches.

The cost-based approach based on cost to develop the software platform and associated patents plus a premium on the success the platform has achieved in peer international competitions which are leading to further promotion of the product in the key North American market provides an indicative value of between \$13 million and \$15 million.

The income-based approach has been preferred because the intangible assets are already generating revenues. A valuation based on company commercialisation plans with some reduction in sales estimates due to limited resources in key markets, allowing for a royalty rate equivalent of 40%, less than current licensing rate plans by the company, and considering a discount rate of between 15% and 25% post tax over a five year period of projected sales in line with the developed nature of the software platform and the considerable commercial competition in the target markets, provides a valuation range for the intangible assets of \$14.7–18.9 million with our preferred value at \$16.6 million.

11. QUALIFICATIONS AND DECLARATIONS

Valutech Pty Ltd is a company specialising in market research on high technology products and the valuation and assessment of identifiable intangible assets from a wide range of industries. It was established in 1992 by Dr Maurice Venning who has a background of over 25 years in technology assessment and advisory roles with the Federal Government, large companies, consulting companies and universities. Dr Venning has been undertaking intangible asset valuations on behalf of Valutech and other companies for over fifteen years.

Valutech Pty Ltd

8 July 2014

Valutech has undertaken a number of valuations in the past related to intellectual property, copyright and other identifiable intangible assets of companies operating in the computer software and computer and communications networks industries.

Valutech has not undertaken work for iWebGate or MYA in the past and has no interest in iWebGate, MYA or related companies.

12. DISCLAIMER

This assessment represents solely the expression by Valutech of its opinion as to a fair market valuation for assets of iWebGate in July 2014. This assessment is based upon information submitted to us as well as external sources and we do not imply nor should it be construed that we have carried out any form of audit or verification of the information and records supplied to us.

We have no reason to believe that any material facts have been withheld or misstated and have no reason to doubt the reasonableness of judgements made. However, Valutech cannot underwrite or guarantee the achievability of the financial forecasts.

Yours sincerely,



Maurice Venning
Director

ANNEXURE 3 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

- (a) The Incentives Options are issued pursuant to the iWebGate Limited Employee Incentive Plan (**Plan**).
- (b) The Incentive Options will expire 5 years from the date of issue (**Expiry Date**).
- (c) Each Incentive Option shall confer the right to subscribe for one fully paid ordinary share (**Share**), ranking pari passu with existing issued fully paid ordinary shares, in the capital of the Company.
- (d) The Incentive Options are exercisable by notice in writing to the Company (in substantially the form attached to the Incentive Option certificate (**Notice of Exercise**) received at any time on or before the Expiry Date. The Shares will be issued within 10 business days after completion of the exercise of the Incentive Options.
- (e) The Incentive Options may be exercised in whole or in part. Incentive Options must be exercised in multiples of 500. The exercise of some of the Incentive Options does not affect the holder's right to exercise other Incentive Options at a later time.
- (f) The exercise price for each Incentive Option shall be the price that is equal to the price that is a 125% premium to the closing market price of Shares on Australian Securities Exchange (**ASX**) on the trading day before the general meeting of the Company at which the issue of the Incentive Options is given (**Exercise Price**).
- (g) A certificate will be issued for the Incentive Options. If prior to the Expiry Date those Incentive Options are exercised in part, the Company will issue a substitute certificate for the remaining Incentive Options held and not yet exercised.
- (h) Options are exercisable by the delivery to the registered office of the Company of a signed Notice of Exercise, specifying the number of Incentive Options being exercised and must be accompanied by:
 - (i) except where a loan from the Company is used to fund the Exercise Price, a cheque or cash for the amount of the Exercise Price for each Share to be issued on exercise of the Incentive Options specified in the Notice of Exercise. Where a cheque is presented as payment of the Exercise Price, the Company will not issue Shares upon exercise of Incentive Options until the cheque has been cleared by the banking system;
 - (ii) the certificate for those Incentive Options, or documentary evidence satisfactory to the Company's Board that the Certificate was lost or destroyed; and
 - (iii) where required by the Company in accordance with the Plan, payment in full of the amount of Withholding Tax Amount (as defined in the Plan) the Company is required to remit as a result of the exercise of the Incentive Option.

Exercise of the Incentive Options is subject to the Company's Securities Trading Policy.

- (i) The holder of Incentive Options will not be permitted to participate in any new issues of securities of the Company, including by way of bonus issue, rights issue or otherwise.
- (j) In the event of a variation of the issued capital of the Company (including a sub-division, consolidation, reduction or return), the Incentive Options and/or the Exercise Price will be reorganised in accordance with the Listing Rules of the ASX.
- (k) The Incentive Options will not give any right to participate in dividends until Shares are issued pursuant to the exercise of the relevant Incentive Options.
- (l) Incentive Options may not be transferred, novated, encumbered with a Security Interest (as defined in the Plan) in or over them, or otherwise disposed of by the holder and lapses immediately on purported transfer, unless the Board (first consent which consent may impose conditions) in its sole and absolute discretion or where such assignment or transfer occurs by force of law upon the death of the holder to the holder's legal personal representative.

- (m) Application will not be made for official quotation of the Incentive Options on the ASX, but the Company will seek quotation of Shares issued on the exercise of Incentive Options, subject to the restricted security provisions of the ASX Listing Rules.
- (n) The Incentive Options may be classified by ASX as restricted securities for a period of 24 months commencing on the date the Company's securities are reinstated to quotation on ASX following its recompliance with Chapters 1 and 2 of the ASX Listing Rules.

ANNEXURE 4 – IWEBGATE LIMITED EMPLOYEE INCENTIVE PLAN

IWEBGATE LIMITED EMPLOYEE INCENTIVE PLAN

My ATM Holdings Ltd ACN 141 509 426
(to be renamed "iWebGate Limited")
(COMPANY)

PHONE (61-8) 6211 5000 | FAX (61-8) 6211 5055 | ABN 83 662 050 668
POSTAL ADDRESS PO Box Z5433, St Georges Tce Perth WA 6831
ADDRESS Level 24 St Martins Tower 44 St Georges Tce
Perth WA 6000


PRICE SIERAKOWSKI
CORPORATE

Contents

Rule	Page
1 Name of Plan	1
2 Objectives	1
3 Definitions and interpretation	1
3.1 Definitions	1
3.2 Interpretation	6
4 The Plan	7
4.1 Plan limits	7
4.2 Administration of the Plan	8
4.3 Directors	8
5 Offers	8
5.1 Eligibility	8
5.2 Offer to Eligible Persons	8
5.3 Form of Offer	8
5.4 Specific Offer requirements	9
6 Application for Awards	9
6.1 Acceptance	9
6.2 Nominated Party	9
6.3 Participation	10
6.4 Grant	10
6.5 Lapse of Offer	10
7 Terms of Awards	10
7.1 Plan Shares	10
7.2 Participant rights	10
7.3 No adjustment to Options, Performance Rights or Performance Share Rights to reflect payment of dividends and distributions	11
7.4 Conditions for vesting and exercise	11
7.5 No transfer of Options, Performance Rights or Performance Share Rights ..	11
7.6 New issues	11
7.7 Awards to be registered	12
7.8 Quotation	12
8 Performance Shares	12
8.1 Disposal restrictions	12
8.2 Vesting	12
8.3 Consequences of vesting	13
9 Options	13
9.1 Exercise Period for Options	13
9.2 Vesting Notification	13
9.3 Method of exercise of Options	13
9.4 Minimum exercise of Options	13
9.5 No issue unless cleared funds	13

9.6	Actions on exercise of Options.....	14
10	Performance Rights	14
10.1	Vesting Notification.....	14
10.2	Method of conversion of Performance Rights.....	14
10.3	Actions on conversion	14
11	Performance Share Rights	14
11.1	Vesting Notification.....	14
11.2	Method of conversion of Performance Share Rights	15
11.3	Actions on conversion	15
12	Loans	15
12.1	Grant of Loans.....	15
12.2	General terms and conditions	16
12.3	Repayment	16
12.4	Holding lock	17
12.5	Security	18
13	Cessation of employment	18
13.1	Good Leaver	18
13.2	Bad Leaver	18
14	Breach, fraud or dishonesty	18
15	Cancellation of Awards with consent.....	19
16	Lapse of Options, Performance Rights and Performance Share Rights.....	19
16.1	Lapsing events	19
16.2	What happens on lapsing.....	19
17	Forfeiture of Performance Shares	20
17.1	Forfeiture events.....	20
17.2	Treatment of forfeited Performance Shares.....	20
17.3	Effect of forfeiture	20
17.4	Conditions on forfeiture	20
18	Rights attaching to Plan Shares	20
18.1	Shares to rank equally.....	20
18.2	Dividends	21
18.3	Dividend reinvestment.....	21
18.4	Voting rights.....	21
19	Disposal restrictions on Plan Shares.....	21
19.1	Board determines	21
19.2	No transfer	21
19.3	Company actions.....	21
19.4	Overriding restrictions on dealing with Plan Shares	21
19.5	Plan Shares entitlements	21
19.6	Company's Share Trading Policy	22

20	Change of Control Event	22
21	Capital events.....	23
21.1	Variation of capital.....	23
21.2	Fairness in application.....	23
21.3	Notice of variation.....	23
22	Power of Attorney	23
23	Powers of the Board	23
24	Taxation	24
24.1	No liability	24
24.2	Taxes	24
25	Commencement, suspension, termination and amendment of the Plan	25
25.1	Commencement	25
25.2	Suspension or termination.....	25
25.3	Options Issued Before Termination.....	25
25.4	Amendment of Plan	25
25.5	Amendment by addendum	27
26	Listing Rules	27
27	Buy-Back	27
28	Contravention of Applicable Laws	27
29	Rights of Participants.....	28
30	ASIC relief.....	28
31	Non-exclusivity	28
31.1	Non-exclusivity	28
31.2	Relationship to other equity plans	29
32	General.....	29
32.1	Costs and Expenses	29
32.2	Data protection	29
32.3	Error in Allocation	29
32.4	Dispute.....	29
32.5	No fiduciary capacity	29
32.6	Non-residents of Australia	29
32.7	Enforcement	30
32.8	Participants Bound	30
32.9	Notices.....	30
32.10	Governing Law	30
Annexure 1	31

This iWebGate Limited Employee Incentive Plan is made on the day of 2014

1 Name of Plan

This document sets out the rules of the iWebGate Limited Employee Incentive Plan.

2 Objectives

The objectives of the Plan are to:

- (a) establish a method by which Eligible Persons can participate in the future growth and profitability of the Company;
- (b) to provide an incentive and reward for Eligible Persons for their contribution to the Company; and
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

3 Definitions and interpretation

3.1 Definitions

In this Plan, unless the context otherwise requires:

- (a) **"5% Limit"** has the meaning set out in Rule 4.1(b);
- (b) **"Applicable Law"** means any one or more or all, as the context requires:
 - (i) the Corporations Act;
 - (ii) the Listing Rules;
 - (iii) the Constitution;
 - (iv) the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth);
 - (v) any practice note, policy statement, regulatory guide, class order, declaration, guidelines, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b) and (d) above; and
 - (vi) any other legal requirement that applies to the Plan;
- (c) **"Application"** means an application in the form as the Directors may from time to time prescribe, accepting an offer from the Board to apply for Awards and, where applicable accepting a Loan Offer;
- (d) **"Application Date"** means the date on which an Application is lodged with the Company by an Eligible Person (or their nominee) in accordance with the requirements of this Plan;
- (e) **"ASIC"** means the Australian Securities and Investments Commission;
- (f) **"ASX"** means ASX Limited (ACN 008 624 691) operating as the Australian Securities Exchange and its subsidiaries;
- (g) **"Award"** means:
 - (i) an Option;

- (ii) a Performance Share;
 - (iii) a Performance Right;
 - (iv) a Performance Share Right,
- as applicable;
- (h) **"Bad Leaver"** means a Participant whose employment or engagement with any Group Company ceases in any of the following circumstances:
- (i) the Participant's employment or engagement is terminated, or the Participant is dismissed from office, due to:
 - (A) serious and wilful misconduct;
 - (B) material breach of the terms of any contract of employment, engagement or office entered into by any Group Company and the Participant;
 - (C) gross negligence; or
 - (D) other conduct justifying termination of employment, engagement or office without notice either under the Participant's contract of employment or engagement or office, or at common law;
 - (ii) the Participant ceases his or her employment or engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in his or her contract of employment, engagement or office entered into by the relevant Group Company and the Participant; or
 - (iii) the Participant is ineligible to hold his or her office for the purposes of Part 2D.6 of the Corporations Act.
- (i) **"Blackout Period"** means a period when the Participant is prohibited from trading in the Company's securities under the Company's Securities Trading Policy;
- (j) **"Board"** means the Directors, from time to time, acting as a board or as a committee of the Board which is responsible for administering this Plan;
- (k) **"Business Day"** means a day on which banks are open for general banking business in Western Australia, excluding Saturdays, Sundays and public holidays in Western Australia;
- (l) **"Buy-Back"** means the purchase by the Company of Options prior to their exercise or Performance Rights or Performance Share Rights prior to their conversion, or the buy-back by the Company of Plan Shares, pursuant to Rule 27;
- (m) **"Certificate"** means the certificate or holding statement issued by the Company to a Participant in respect of an Award;
- (n) **"Change of Control Event"** occurs where:
- (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional;
 - (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;

- (iii) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (iv) any Group Company or Group Companies enter into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies;
- (v) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies;
- (o) **"Company"** means My ATM Holdings Ltd (ACN 141 509 426) (to be renamed "iWebGate Limited");
- (p) **"Consultant"** means a consultant or contractor of a Group Company that is:
 - (i) a corporation; and
 - (ii) all of the members of the corporation referred to in paragraph (a) above are:
 - (A) employees of a Group Company; or
 - (B) directors of a Group Company, who hold a salaried employment of office in the Company or a Related Body Corporate;
- (q) **"Conversion Price"** means the price per Share payable in cash upon conversion of a Performance Share Right which shall be equal to the lower of:
 - (i) the price per Share as specified by the Board in an Offer, and determined by the Board in its sole and absolute discretion; and
 - (ii) the closing market price of Shares traded on ASX on the day before the date a Performance Share Right is converted in accordance with these Rules;
- (r) **"Corporations Act"** means the *Corporations Act 2001* (Cth);
- (s) **"Director"** means a director of the Company from time to time;
- (t) **"Eligible Person"** means a person who is a:
 - (i) full-time or part-time employee of the Company or of a Related Body Corporate, or is a director who holds a salaried employment of office in the Company or a Related Body Corporate; or
 - (ii) Consultant subject in all cases to the Company obtaining prior case-by-case ASIC relief to extend the disclosure, licensing, advertising and hawking relief given by ASIC Class Order 03/184 (or any amendment to or replacement of that Class Order) to the Consultant or the disclosure, licensing, advertising and hawking relief given by ASIC Class Order 03/184 (or any amendment to or replacement of that Class Order) extending to the Consultant;
- (u) **"Employee Share Scheme Buy-Back"** has the same meaning as that term has in the Corporations Act;
- (v) **"End Date"** means 5.00pm Western Standard Time in Australia on the day which is five (5) years after the date of issue of a Performance Right or Performance

Share Right or any other date determined by the Board and as specified in the Offer, after which the Performance Right or Performance Share Right (as the case may be) lapses and may no longer be converted;

- (w) **"Exercise Conditions"** means any criteria, requirement or conditions, as determined by the Board or under these Rules, which must be met (notwithstanding the satisfaction of any Vesting Conditions and/or Performance Conditions) prior to a Participant being entitled to exercise vested Options in accordance with Rule 9;
- (x) **"Exercise Period"** means the period during which a vested Option may be exercised as set out in Rule 9.1;
- (y) **"Exercise Price"** means the price per Share payable in cash upon exercise of an Option, as specified by the Board in an Offer, and determined by the Board in its sole and absolute discretion;
- (z) **"Expiry Date"** means 5.00pm Western Standard Time in Australia on the day which is five (5) years after the date of issue of an Option or any other date determined by the Board and as specified in the Offer, after which the Option lapses and may no longer be exercised;
- (aa) **"Final Acceptance Date"** has the same meaning set out in Rule 5.3(a);
- (bb) **"Good Leaver"** means a Participant who ceases employment or engagement with any Group Company ceases and who is not a Bad Leaver, and includes where a Participant's employment or engagement ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its sole and absolute discretion;
- (cc) **"Grant Date"** means the date on which Awards are granted to a Participant and specified in the Offer;
- (dd) **"Group"** means the Company and its Related Bodies Corporate and Group Company means any one of them;
- (ee) **"Issue Price"** means the issue price per Performance Share payable in cash upon being issued the shares such price determined by the Directors in their absolute discretion and set out in an Offer;
- (ff) **"Listing Rules"** means the Listing Rules of the ASX as amended from time to time;
- (gg) **"Loan"** means a loan made by the Company to an Eligible Person under this Plan to fund the acquisition of Performance Shares, or to fund the exercise of Options or the conversion of Performance Share Rights;
- (hh) **"Loan Amount"** means the total amount outstanding under a Loan;
- (ii) **"Loan Offer"** means a written offer made by the Company to an Eligible Person for the provision of a Loan in accordance with Rule 12.1;
- (jj) **"Loan Offer Acceptance Date"** means the date by which a Loan Offer must be accepted by an Eligible Person as set out in a Loan Offer;
- (kk) **"Loan Shares"** means Unvested Loan Shares and Vested Loan Shares;
- (ll) **"Loan Term"** means the term of the Loan as specified in the Loan Offer;
- (mm) **"Maximum Limit"** has the same meaning set out in Rule 4.1(a);
- (nn) **"Nominated Party"** means in respect of an Eligible Person:
 - (i) that person's spouse;

- (ii) that person's biological or legally adopted child of at least 18 years of age;
- (iii) a trustee or trustees of a trust set up wholly for the benefit of one or more Eligible Persons or a person mentioned in (a) or (b) above; or
- (iv) a company in which all of the issued shares are beneficially held by, and all of the voting rights are beneficially held by an Eligible Person and/or a person or persons mentioned in (a), (b) or (c) above; or
- (v) any other person approved by the Board provided that the person is an 'associate' as defined in the *Income Tax Assessment Act 1936* (Cth);
- (oo) **"Offer"** means an offer of Awards made in accordance with Rule 5;
- (pp) **"Official List"** means the official list of the ASX;
- (qq) **"Official Quotation"** means the quotation of the Company's Shares on the Official List;
- (rr) **"Option"** means an option issued for nil monetary consideration to subscribe for a Share issued in accordance with this Plan and subject to the satisfaction of any Vesting Conditions, Performance Conditions and/or Exercise Conditions and payment of the relevant Exercise Price;
- (ss) **"Option Exercise Notice"** means a notice for the exercise of Options in accordance with the Rules in the form set out in Annexure 1 or in such other form as the Board may from time to time prescribe;
- (tt) **"Participant"** is an Eligible Person or Nominated Party to whom an Award has been granted;
- (uu) **"Performance Conditions"** means any conditions relating to the performance of the Group (and the manner in which those conditions will be tested) as specified in an Offer and determined by the Board in its sole and absolute discretion;
- (vv) **"Performance Period"** means the period set out in the Offer and determined by the Board in its sole and absolute discretion for the purposes of determining the extent (if any) to which the Performance Conditions have been met;
- (ww) **"Performance Right"** means an entitlement of a Participant to one Share, subject to the satisfaction of any Vesting Conditions and/or Performance Conditions. For the avoidance of doubt, no consideration is payable upon the automatic conversion of a Performance Right;
- (xx) **"Performance Share"** means a Share issued at the Issue Price, subject to any Vesting Conditions and/or Performance Conditions;
- (yy) **"Performance Share Right"** means an entitlement of a Participant to one Share, subject to the satisfaction of any Vesting Conditions and/or Performance Conditions and payment of the relevant Conversion Price;
- (zz) **"Plan"** means this WebGate Limited Employee Incentive Plan established and operated in accordance with these Rules;
- (aaa) **"Plan Shares"** means any Shares issued pursuant to this Plan, including Performance Shares and any Shares issued on exercise of an Option or on the conversion of a Performance Right or a Performance Share Right;
- (bbb) **"Related Body Corporate"** has the same meaning as given to that term in the Corporations Act; and
- (ccc) **"Rules"** means these rules in respect of the operation of the Plan, as amended from time to time;

- (ddd) **"Securities Trading Policy"** means the Company securities trading policy, as amended from time to time;
- (eee) **"Security Interest"** means a mortgage, charge, pledge lien, encumbrance of other third party interest of any nature;
- (fff) **"Share"** means a fully paid ordinary share in the Company;
- (ggg) **"Shareholder"** means any holder of Shares;
- (hhh) **"Tax"** means all forms of taxes (including, without limitation, PAYG withholding, income tax and fringe benefits tax), imposts, charges, withholdings or other governmental impositions collected, imposed, assessed or charged by a taxation authority and any related interest penalties, fines, expenses and other additional statutory charges.
- (iii) **"Test Date"** means, in relation to an Award, the date at which Performance Conditions are to be measured to determine whether that Award becomes vested, as set out in the Offer and determined by the Board in its sole and absolute discretion;
- (jjj) **"Term"** means the period commencing on the Grant Date and ending on the Expiry Date or End Date as the case may be (inclusive);
- (kkk) **"Unvested Loan Shares"** means unvested Performance Shares held by an Eligible Person that were issued using funds provided from a Loan that has not yet been repaid;
- (lll) **"Vested Loan Shares"** means vested Performance Shares held by an Eligible Person that were issued using funds provided from a Loan that has not yet been repaid;
- (mmm) **"Vesting Conditions"** means any time based criteria, requirements or conditions (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be met prior to Awards vesting in a Participant, which the Board may throughout the course of the period between the grant of an Award and its vesting waive or accelerate as the Board considers reasonably appropriate;
- (nnn) **"Vesting Notification"** means a notice to a Participant informing the Participant that his or her Performance Shares have vested and/or Options have vested and are exercisable and/or Performance Rights and/or Performance Share Rights have vested and will be automatically converted; and
- (ooo) **"Withholding Tax Amount"** has the meaning set out in Rule 24.2.

3.2 Interpretation

In the interpretation of this Plan, headings are for convenience only, and unless the context otherwise requires:

- (a) any word or phrase used in this Plan which is not defined but which is defined in the Listing Rules has the same effect as that contained in the Listing Rules;
- (b) words importing any gender include all genders;
- (c) the singular includes the plural and vice versa;
- (d) references to Rules and annexures are references to Rules and annexures of and to this Plan;
- (e) the word **"includes"** in any form is not a form of limitation;

- (f) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
- (g) a document includes all amendments or supplements to that document;
- (h) a monetary amount is in Australian dollars;
- (i) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and
- (j) in determining the time of day, where relevant to these Rules, the relevant time of day is:
 - (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
 - (ii) for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located.

4 The Plan

4.1 Plan limits

- (a) Notwithstanding any other provision of this Plan or any Offer, a maximum of 10% of the total issued and outstanding Shares of the Company at the time of grant or issue of Awards ("**Maximum Limit**") will be issuable and issuable as a result of the exercise of Options or the Conversion of Performance Rights or Performance Share Rights granted or to be granted under this Plan, provided that the issue is made in accordance with the requirements of any Applicable Laws.
- (b) The Directors will not make an Offer or issue Awards in accordance with the Plan if the total number of Plan Shares which are the subject of the Awards, when aggregated with:
 - (i) the number of Shares which would be issued were each outstanding Offer pursuant to the Plan or any other employee or executive incentive scheme extended only to Eligible Persons, to be accepted or exercised (as the case may be); and
 - (ii) the number of Shares issued during the previous five (5) years pursuant to the Plan or any other employee incentive scheme extended only to Eligible Persons,
 but disregarding any Offer made, or Awards granted or Shares issued by way of or as a result of:
 - (iii) an Offer to a person situated at the time of receipt of the Offer outside Australia;
 - (iv) an Offer that did not need disclosure to investors because of section 708 of the Corporations Act;
 - (v) an Offer that did not require the giving of a product disclosure statement because of section 1012D of the Corporations Act; or
 - (vi) an Offer made under a disclosure document or product disclosure statement,
 would exceed five (5) per cent of the total number of issued Shares in the Company as at the time of the Offer or issue ("**5% Limit**").

- (c) The Maximum Limit and 5% Limit shall be subject to adjustment or increase pursuant to the provisions of Rule 21.1 or as may otherwise be permitted by Applicable Law.
- (d) Where an Option, Performance Right or Performance Share Right lapses without being exercised or converted, the Shares which would have otherwise been received on the exercise of the Option or conversion of the Performance Right or Performance Share Right are ignored when calculating the Maximum Limit and 5% Limit.

4.2 Administration of the Plan

Subject to the requirements of the Listing Rules and the Corporations Act, the Board will administer the Plan and determine:

- (a) the persons to whom the Awards will be offered under the Plan;
- (b) the number of Awards which may be offered to those persons;
- (c) any approvals required under the Listing Rules or otherwise; and
- (d) any performance associated criteria that must be satisfied by a Participant.

Every exercise of a discretion by the Board and any decision by the Board regarding the interpretation, effect or application of these Rules will be final, conclusive and binding.

4.3 Directors

Where required in accordance with the requirements of the Listing Rules and/or the Corporations Act Awards may not be offered to a Director or his or her associates except where approval is given by the Shareholders of the Company in a general meeting.

5 Offers

5.1 Eligibility

The Board may from time to time in its sole and absolute discretion determine that an Eligible Person may participate in the Plan.

5.2 Offer to Eligible Persons

Following determination that an Eligible Person may participate in the Plan, the Board may from time to time make an Offer in writing to an Eligible Person. Subject to Rule 5.3, the manner form, content, timing and frequency of an Offer will be as determined by the Board in its sole and absolute discretion.

5.3 Form of Offer

In addition to any specific requirements for an Offer set out in Rule 5.4, each Offer must specify:

- (a) the date of the Offer, and the final date the Offer must be accepted by ("Final Acceptance Date");
- (b) the name and address of the Eligible Person to whom the Offer is made;
- (c) the type of Awards being offered;
- (d) the maximum number of Awards being offered;
- (e) in the case of an Option, the Exercise Price and the Exercise Period;
- (f) in the case of a Performance Share Right, the Conversion Price;

- (g) the Vesting Conditions (if any), the Performance Conditions and Performance Period (if any), the Test Dates (if any) and/or Exercise Conditions (if any) relating to the Awards being offered;
 - (h) in the case of a Performance Share, the Issue Price, or the method by which the Issue Price is to be determined;
 - (i) whether or not a Loan Offer accompanies the Offer, and if so, the terms and conditions of the Loan that is offered in connection with the Awards;
 - (j) the Term and Expiry Date or End Date (if any);
 - (k) any rights attaching to the Awards and/or Plan Shares;
 - (l) agreement with the Eligible Person for the Company to supply details to third parties where required by law; and
 - (m) any other matters required to be specified in the Offer by either the Corporations Act, the Listing Rules or an applicable ASIC Class Order or instrument of relief,
- and attach an Application and a copy of this Plan.

5.4 Specific Offer requirements

An Offer for Performance Shares or Performance Share Rights must include a Loan Offer equal to:

- (a) in the case of Performance Shares, an amount equal to the Issue Price multiplied by the number of Performance Shares offered to the Participant; and
- (b) in the case of Performance Share Rights, an amount equal to the Conversion Price multiplied by the number of Performance Share Rights offered to the Participant.

For the avoidance of doubt, acceptance of an Offer of Performance Shares or Performance Share Rights will also constitute acceptance of the Loan Offer.

6 Application for Awards

6.1 Acceptance

- (a) An Eligible Person who wishes to accept an Offer must confirm in writing their acceptance of the conditions of the grant or issue of Awards (as applicable) and the rules governing such Awards as a condition of their participation by giving to the Company a duly completed Application by the Final Acceptance Date.
- (b) For the avoidance of doubt, the Board in its sole and absolute discretion can refuse to allow an Eligible Person to participate in the Plan even though an Application is received from the Eligible Person in accordance with Rule 6.1(a).
- (c) An Eligible Person may in his or her discretion accept the Offer in whole or in part, in multiples of 1,000 Awards or such other multiple as the Board may allow in its sole and absolute discretion. An Eligible Person cannot accept less than the number of Awards that would constitute the minimum parcel determined by the Board.

6.2 Nominated Party

- (a) The Board may, in its sole and absolute discretion, determine that an Eligible Person to whom an Offer is made may give notice that they would prefer such Offer be made to a Nominated Party.

- (b) The Board may in its sole and absolute discretion determine whether it will make the Offer to the Nominated Party and on what conditions it will agree to do so. For the avoidance of doubt, a Nominated Party is not entitled to a Loan.

6.3 Participation

Following receipt of an Application (and in the case of an Offer for Performance Shares, payment of the relevant Issue Price) by the Final Acceptance Date and subject to Rule 6.1(b), and provided that the Eligible Person is then still an Eligible Person of a Group Company, the Eligible Person will be entitled to participate in the Plan according to its terms.

6.4 Grant

On the Grant Date, the Company will grant or issue to the relevant Eligible Person the number of Awards as set out in the Offer and issue the Participant a notice confirming the grant or issue of the Awards together with a Certificate. In the case of Performance Shares, the Loan provided in accordance with Rule 12 will be used to satisfy the Issue Price.

6.5 Lapse of Offer

An Offer not accepted in accordance with Rule 6.1 will lapse at 5.00pm Perth time on the Final Acceptance Date.

7 Terms of Awards

7.1 Plan Shares

Any Plan Share issued pursuant to this Plan, including pursuant to an exercise of an Option or conversion of a Performance Right or Performance Share Right, will rank equally with all existing Shares from the date of issue.

7.2 Participant rights

(a) Performance Shares

- (i) Unless otherwise resolved by the Board when it makes an Offer, and subject to the terms of issue of the relevant Performance Shares, a Participant who holds Performance Shares is entitled to notice of a meeting of the Shareholders of the Company and may exercise any voting rights attaching to the Performance Shares registered in the Participant's name which were the subject of the Offer.
- (ii) The Board may determine, at the time of an offer of Performance Shares, whether the Participant is entitled to receive any dividends declared by the Company on unvested Performance Shares (including whether any such dividends are to be held in escrow until the Performance Shares are fully vested).

(b) Options, Performance Rights and Performance Share Rights

A Participant who holds Options, Performance Rights or Performance Share Rights is not entitled to:

- (i) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or
- (ii) receive any dividends declared by the Company.

unless and until the Option is exercised or the Performance Right or Performance Share Right is converted and the Participant holds Plan Shares as a result of the exercise or conversion.

7.3 No adjustment to Options, Performance Rights or Performance Share Rights to reflect payment of dividends and distributions

No adjustment will be made to the number of Performance Rights, Performance Share Rights or Options granted to a Participant under the Plan if dividends or other distributions are paid on Shares before Options are exercised or Performance Rights or Performance Share Rights are converted.

7.4 Conditions for vesting and exercise

- (a) The Board will determine prior to an Offer being made, and specify in the Offer, any Vesting Conditions, Performance Conditions and Performance Period, and/or Exercise Conditions attaching to the Awards. For greater certainty, the Board may apply different Vesting Conditions, Performance Conditions or Performance Periods or Exercise Conditions to one or more portions of any Awards.
- (b) Awards will only vest if any applicable Vesting Conditions and/or Performance Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules.
- (c) Vested Options will only be exercisable when any applicable Exercise Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules.

7.5 No transfer of Options, Performance Rights or Performance Share Rights

- (a) Options, Performance Rights or Performance Share Rights granted under this Plan may not be assigned, transferred, novated, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, other than in accordance with Rule 6.2, unless:
 - (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.
- (b) Unless otherwise decided by the Board, where a Participant purports to transfer an Option, Performance Right or Performance Share Right other than in accordance with Rule 7.5(a), the Option, Performance Right or Performance Share Right (as the case may be) immediately lapses.

7.6 New issues

- (a) An Option, Performance Right or Performance Share Right does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of bonus issue, rights issue or otherwise.
- (b) Unless otherwise resolved by the Board when it makes an Offer, a Participant who holds Performance Shares issued pursuant to the Offer has the same entitlement as any other Shareholder to participate in a bonus issue, provided that if the Performance Shares are unvested Performance Shares and/or have any restrictions on sale imposed under Rule 8.1 or 19.1, any Shares issued to a Participant under the bonus issue will be subject to these Rules as if those shares were Performance Shares issued under the Offer made to the Participant.

- (c) If the Company announces a rights issue:
 - (i) it will notify each Participant who holds Performance Shares of the rights issue and offer them the opportunity to exercise those rights in respect of Performance Shares;
 - (ii) if the Participant wants to exercise the relevant rights, they must give written direction to the Company to this effect and pay the price to the Company to acquire the rights by the time and in the manner specified in the notice;
 - (iii) any Shares issued to the Participant as a result of the Participant exercising such rights are not subject to Vesting Conditions or Performance Conditions and will not be subject to these Rules; and
 - (iv) if the rights are renounceable and a Participant declines, or does not respond to, the offer made by the Company, the Company may sell or otherwise deal with the Participant's rights.

7.7 Awards to be registered

Awards will be registered in the appropriate register of the Company to facilitate the efficient management and administration of the Plan and to comply with regulatory reporting requirements.

7.8 Quotation

The Company will apply for Quotation of Performance Shares issued to Participants within the time required by the Listing Rules after the Grant Date. The Company will not seek Quotation of any Options, Performance Rights or Performance Share Rights, but will seek Quotation for Plan Shares issued on the exercise of Options or the conversion of Performance Rights or Performance Share Rights.

8 Performance Shares

8.1 Disposal restrictions

The Participant must not dispose of, grant (or purport to grant) any Security Interest in or over, or otherwise deal with (or purport to dispose or deal with) a Performance Share until:

- (a) the Performance Share has vested in accordance with Rule 8.2;
- (b) the Loan Amount relating to the Performance Share has been repaid or discharged in accordance with the terms of the Loan or arrangements for such repayment or discharge have been made to the satisfaction of the Board; and
- (c) any disposal restrictions imposed in accordance with Rule 19.1 have expired.

While the Performance Share is subject to the restrictions in this Rule 8.1, Rules 19.2 and 19.3 will apply.

8.2 Vesting

Performance Shares shall vest if and when any Vesting Conditions and/or Performance Conditions applicable to a Participant's Performance Shares have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and where the Company has issued a Vesting Notification to the Participant informing them that some or all of their Performance Shares have vested.

8.3 Consequences of vesting

Upon issue of a Vesting Notification, the Performance Shares become vested and cease to be subject to the Vesting Conditions and/or Performance Conditions that were applicable to the Performance Shares and cease to be subject to the forfeiture provisions in Rule 17.

9 Options

9.1 Exercise Period for Options

The Exercise Period for Options will commence when the Options have vested and any Exercise Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and will end on the Expiry Date, subject to these Rules and the terms of the Securities Trading Policy.

9.2 Vesting Notification

Options are deemed to have vested if and when any Vesting Conditions, Performance Conditions and/or Exercise Conditions applicable to a Participant's Options have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and where the Company has issued a Vesting Notification to the Participant informing them that some or all their Options have vested and are exercisable.

9.3 Method of exercise of Options

At the sole and absolute discretion of the Board, following the issuing of a Vesting Notification to a Participant, a vested Option may be exercised by the Participant within the Exercise Period, and by delivery to the registered office of the Company or such other address as determined by the Board of:

- (a) a signed Notice of Exercise;
- (b) except where a Loan is provided pursuant to Rule 12, a cheque or cash or such other form of payment determined by the Board in its sole and absolute discretion as satisfactory for the amount of the Exercise Price;
- (c) the Certificate, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed; and
- (d) where required by the Company in accordance with Rule 24.2, payment in full of the amount of Withholding Tax Amount the Company is required to remit as a result of the exercise of the Option, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant.

9.4 Minimum exercise of Options

Options must be exercised in multiples of 500 unless fewer than 500 Options are held by a Participant or the Board otherwise agrees.

9.5 No issue unless cleared funds

Where a cheque is presented as payment of the Exercise Price on the exercise of Options, the Company will not, unless determined otherwise by the Board, issue Plan Shares until after any cheque delivered in payment of the Exercise Price has been cleared by the banking system.

9.6 Actions on exercise of Options

On completion of the exercise of Options:

- (a) the Options will automatically lapse;
- (b) the Company will, within 10 Business Days, issue the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the exercise of the Options;
- (c) except in relation to Loan Shares, deliver to the Participant a holding statement for the Plan Shares; and
- (d) the Company will issue a substitute Certificate for any remaining Options.

10 Performance Rights

10.1 Vesting Notification

Performance Rights shall vest if and when any Vesting Conditions and/or Performance Conditions applicable to a Participant's Performance Rights have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and where the Company has issued a Vesting Notification to the Participant informing them that some or all of their Performance Rights have vested and will be converted automatically.

10.2 Method of conversion of Performance Rights

- (a) Following the issue of a Vesting Notification to a Participant, a vested Performance Right will be automatically converted.
- (b) Upon the conversion of a Performance Right, where required by the Company in accordance with Rule 24.2, the Participant will make payment in full of the Withholding Tax Amount the Company is required to remit as a result of the conversion of the Performance Right, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant.

10.3 Actions on conversion

On completion of the conversion of Performance Rights:

- (a) the Performance Rights will automatically lapse;
- (b) the Company will within 10 Business Days issue the number of Plan Shares for which the Participant is entitled to through the conversion of the Performance Rights;
- (c) except in relation to Loan Shares, deliver to the Participant a holding statement for the Plan Shares; and
- (d) the Company will issue a substitute Certificate for any remaining Performance Rights.

11 Performance Share Rights

11.1 Vesting Notification

Performance Share Rights shall vest if and when any Vesting Conditions and/or Performance Conditions applicable to a Participant's Performance Share Rights have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and where the Company has issued a Vesting Notification to the Participant

informing them that some or all of their Performance Share Rights have vested and will be converted automatically.

11.2 Method of conversion of Performance Share Rights

- (a) Following the issue of a Vesting Notification to a Participant, a vested Performance Right will be automatically converted.
- (b) The Loan provided in accordance with Rule 12 will be used to satisfy the Conversion Price.
- (c) Where required by the Company in accordance with Rule 24.2, payment in full of the amount of Withholding Tax Amount the Company is required to remit as a result of the conversion of the Performance Share Right, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant.

11.3 Actions on conversion

On completion of the conversion of Performance Share Rights:

- (a) the Performance Share Rights will automatically lapse;
- (b) the Company will, within 10 Business Days, issue the number of Plan Shares for which the Participant is entitled to subscribe for through the conversion of the Performance Share Rights;
- (c) except in relation to Loan Shares, deliver to the Participant a holding statement for the Plan Shares; and
- (d) the Company will issue a substitute Certificate for any remaining Performance Share Rights.

12 Loans

12.1 Grant of Loans

- (a) The Company:
 - (i) may, in its sole and absolute discretion, make an offer to an Eligible Person to provide a Loan for the sole purpose of funding the Eligible Person's acquisition of Plan Shares issued upon the exercise of Options; and
 - (ii) must make an offer to an Eligible Person to provide a Loan for the sole purpose of funding the Eligible Person's acquisition of Performance Shares or Plan Shares or the conversion of Performance Share Rights, on the terms set out in this Rule 12. The Loan Offer will be made at the time of issue of Performance Shares, or the grant of Options or Performance Share Rights or, in the sole and absolute discretion of the Board, may be offered at the time of exercise of Options.
- (b) Following receipt of a Loan Offer made in accordance with Rule 12.1(a)(i), the Eligible Person may accept the Loan Offer (in whole or in part) by delivering to the Company a duly countersigned and completed Loan Offer on or before the Loan Offer Acceptance Date.
- (c) Following receipt of a Loan Offer made in accordance with Rule 12.1(a)(ii), the Eligible Person must accept the Loan Offer as a condition of accepting the Offer that accompanied the Loan Offer.

- (d) The Board may not withdraw a Loan Offer before the Loan Offer Acceptance Date.
- (e) The Loan Offer may only be accepted by a natural person who is an Eligible Person, and in the name of the Eligible Person.
- (f) Loans by the Company to Eligible Persons will be made on the terms and conditions set out in this Rule 12.

12.2 General terms and conditions

- (a) Loans must be made solely to a natural person who is an Eligible Person and in the name of the Eligible Person.
- (b) Loans will be interest free.
- (c) Any Loan made available to an Eligible Person shall be applied by the Company directly toward payment of the Loan Shares to be acquired by the Eligible Person.
- (d) The Loan Term and the manner for making payments under the Loan shall be determined by the Board and set out in the Loan Offer.
- (e) Any fees, charges and stamp duty payable in respect of a Loan will be payable by the Eligible Person or if approved by the Board in its sole and absolute discretion, added to the value of the Loan.

12.3 Repayment

- (a) The amount repayable on the Loan by the Eligible Person will be the lesser of:
 - (i) the issue price (which will be equal to the Issue Price in the case of Performance Shares, the Exercise Price in the case of Options and the Conversion Price in the case of Performance Share Rights) multiplied by the number of Loan Shares issued less any cash dividends paid in respect of Loan Shares and applied by the Company in accordance with Rule 12.3(b) and any repayments made by the Eligible Person; and
 - (ii) if the Loan Shares are sold by the Company, the amount realised by the Company from the sale.
- (b) Cash dividends which are paid in respect of Loan Shares will be applied by the Company on behalf of the Eligible Person to repayment of the Loan Amount and any surplus of the cash dividend will be paid to the Eligible Person.
- (c) If the Company announces a renounceable rights issue and the Eligible Person elects to sell his or her rights in respect of any Loan Shares then the proceeds from the sale of such rights shall be applied by the Company on behalf of the Eligible Person to repayment of the Loan Amount.
- (d) An Eligible Person may elect to repay the Loan Amount at any time prior to expiry of the Loan Term.
- (e) If the Eligible Person holds Vested Loan Shares and:
 - (i) fails to satisfy any of the terms of the Loan specified by the Board and set out in the Loan Offer, including the terms set out in this Rule 12;
 - (ii) dies or suffers a permanent disability;
 - (iii) becomes bankrupt; or
 - (iv) ceases to be employed, engaged or hold office with any Group Company,

then the Eligible Person may elect, by serving written notice on the Company within one month from the date of happening of any of the events referred to above to:

- (v) immediately repay the Loan Amount in full; or
 - (vi) have the Company sell the Vested Loan Shares in the ordinary course of trading on ASX. If the proceeds of the sale exceed the Loan Amount, the Company will remit the excess of the proceeds to the Eligible Person. The Company and the attorney appointed in accordance with Rule 22 will have complete discretion in relation to the sale of the Vested Loan Shares, and will not be liable to the Eligible Person in respect of the timing of or price obtained or any other circumstances relating to the sale.
- (f) If Rule 12.3(e)(iii) applies or the Eligible Person is a Good Leaver, the period of one month referred to in Rule 12.3(e) shall be extended to 12 months or such longer period as the Board in its sole and absolute discretion may decide.
- (g) If the Eligible Person fails to make an election within the time period specified in Rule 12.3(e) as may be extended by Rule 12.3(f), the Eligible Person will be deemed to have elected to have the Company sell the Vested Loan Shares in accordance with Rule 12.3(e)(vi).
- (h) If the Eligible Person holds Unvested Loan Shares and:
- (i) fails to satisfy any of the terms of the Loan specified by the Board and set out in the Loan Offer, including the terms set out in this Rule 12; or
 - (ii) the Board determines the Unvested Loan Shares will be forfeited in accordance with Rule 17.1,

then the Unvested Loan Shares will be forfeited and the provision of Rule 17 shall apply.

- (i) Once Loan Shares are sold by the Company in accordance with Rule 12.3(e)(vi) or Rule 12.3(j), or a Loan Amount is repaid in full, the Loan is fully satisfied and the Eligible Person has no further liability to the Company in respect of the Loan.
- (j) If an Eligible Person wishes to sell Vested Loan Shares before repayment in full of the Loan Amount, the Eligible Person may give written notice to the Company requesting that the Company sell his or her Vested Loan Shares. The Board may, in its sole and absolute discretion, and provided the Board is of the opinion that the proceeds from the sale of the Vested Loan Shares are reasonably likely to exceed the Loan Amount, have the Company sell the Vested Loan Shares in accordance with Rule 12.3(e)(vi) within 30 days of the request.

12.4 Holding lock

Until such time as a Loan is repaid in full (in accordance with these Rules):

- (a) the Company will hold all Certificates or holding statements in respect of the Loan Shares;
- (b) the Eligible Person must not grant any Security Interest in or over the Loan Shares, unless it has first obtained the prior approval of the Board, which approval may be withheld in the Board's sole and absolute discretion;
- (c) the Eligible Person must not sell or transfer or attempt to sell or transfer the Loan Shares except in accordance with these Rules; and
- (d) the Company may implement any procedure it considers appropriate to restrict the Eligible Person from having the Loan Shares transferred to another person

including, without limitation, imposing a holding lock (as that term is defined in the Listing Rules) on all Loan Shares, and for so long as the restriction imposed remains in place, the Eligible Person will effectively be prevented from having the Loan Shares transferred to another person.

12.5 Security

The Company shall have a lien over the Loan Shares. Where requested by the Company, the Eligible Person agrees to grant to the Company a share mortgage or any other security over the Loan Shares as security for the repayment of the Loan. The attorney appointed in accordance with Rule 22 is authorised to do all things required and execute all documents necessary to effect this security over the Loan Shares and to enforce this security against the Eligible Person. The security shall be in the form prescribed by the Company.

13 Cessation of employment

13.1 Good Leaver

Where a Participant who holds Awards becomes a Good Leaver, unless the Board in its sole and absolute discretion determines otherwise:

- (a) unvested Performance Shares will be forfeited in accordance with Rule 17;
- (b) vested Options that have not been exercised will continue in force and remain exercisable, subject to the satisfaction of any applicable Exercise Conditions, until the Expiry Date; and
- (c) unvested Performance Rights and unvested Performance Share Rights will lapse in accordance with Rule 16.

13.2 Bad Leaver

Where a Participant who holds Awards becomes a Bad Leaver:

- (a) unvested Performance Shares will be forfeited in accordance with Rule 17;
- (b) unvested Performance Rights and unvested Performance Share Rights will lapse in accordance with Rule 16; and
- (c) vested Options that have not been exercised will lapse on the date of the cessation of employment or office of such Participant in accordance with Rule 16.2.

14 Breach, fraud or dishonesty

Where, in the opinion of the Board, a Participant:

- (a) acts fraudulently or dishonestly; or
- (b) is in material breach of his or her duties or obligations to any Group Company,

then the Board may in its sole and absolute discretion determine that:

- (c) all vested or unvested Performance Shares will be forfeited;
- (d) all unvested Performance Rights and/or vested or unvested Options and/or unvested Performance Share Rights will lapse; and/or
- (e) where any Plan Shares have been sold by the Participant, require the Participant to pay all or part of the net proceeds of that sale to the Company.

15 Cancellation of Awards with consent

Notwithstanding any other provisions of these Rules, and subject to the Listing Rules, if a Participant and the Board agree in writing that some or all of the unvested Awards and/or vested Options granted to that Participant may be cancelled on a specified date or on the occurrence of a particular event, then the Board may cancel those Awards on the relevant date or on the occurrence of the particular event (as the case may be) for no consideration.

16 Lapse of Options, Performance Rights and Performance Share Rights

16.1 Lapsing events

Subject to Rule 20(c), unless the Board determines otherwise in its sole and absolute discretion, unvested Options, Performance Rights and Performance Share Rights will lapse on the earlier of:

- (a) the cessation of employment or engagement of a Participant;
- (b) the day the Board makes a determination that the Options, Performance Rights or Performance Share Rights lapse in accordance with Rule 14;
- (c) if any applicable Vesting Conditions and/or Performance Conditions are not achieved by the relevant time;
- (d) if the Board determines in its sole and absolute discretion that any applicable Vesting Conditions, Performance Conditions and/or Exercise Conditions have not been met and cannot be met prior to the Expiry Date or End Date (as the case may be); or
- (e) the Expiry Date or End Date.

Notwithstanding the foregoing, if the Term of an Option held by any Participant would otherwise expire during, or within 10 Business Days of the expiration of a Blackout Period applicable to such Participant, then the term of such Option shall be extended to the close of business on the 10th Business Day following the expiration of the Blackout Period.

16.2 What happens on lapsing

Where a Participant's Options, Performance Rights or Performance Share Rights have lapsed under Rule 16.1, the Company will:

- (a) notify the Participant that the Options, Performance Rights or Performance Share Rights held by them have lapsed;
- (b) arrange for the Participant or the Participant's agent or attorney to sign any transfer documents required to transfer or otherwise deal with the Options, Performance Rights and/or Performance Share Rights; and
- (c) not be liable for any damages or other amounts to the Participant in respect of the Options, Performance Rights or Performance Share Rights.

17 Forfeiture of Performance Shares

17.1 Forfeiture events

Subject to Rule 20(c), unless the Board determines otherwise in its sole and absolute discretion, unvested Performance Shares will be forfeited by the Participant (or any person claiming through the Participant) on the earlier of:

- (a) the cessation of employment or engagement of a Participant;
- (b) the day the Board makes a determination that the Performance Shares are forfeited in accordance with Rules 12.3(h), 13 or 14;
- (c) if any applicable Vesting Conditions and/or Performance Conditions are not achieved by the relevant time; or
- (d) if the Board determines in its sole and absolute discretion that any applicable Vesting Conditions and/or Performance Conditions have not been met and cannot be met.

17.2 Treatment of forfeited Performance Shares

- (a) As soon as reasonably practicable after Performance Shares are forfeited, the Participant is deemed to have agreed to the Company:
 - (i) selling those forfeited Performance Shares in the ordinary course of trading on ASX;
 - (ii) buying back the forfeited Performance Shares pursuant to an Employee Share Scheme Buy-Back for no consideration or an amount equal to the Loan Amount (such determination to be made in the sole and absolute discretion of the Board); or
 - (iii) dealing with the forfeited Performance Shares in any other manner determined by the Board from time to time.
- (b) For the avoidance of doubt, the Company will hold full legal and beneficial title to any forfeited Performance Shares which are transferred to the Company pursuant to any power of attorney granted by a Participant under Rule 22 at all times until those forfeited Performance Shares are disposed of by the Company.

17.3 Effect of forfeiture

For the avoidance of doubt, no consideration or compensation will be payable to a Participant for or in relation to the forfeiture by the Participant of ownership of Performance Shares held under the Plan.

17.4 Conditions on forfeiture

In making any determination as to the forfeiture or otherwise of the ownership of unvested Performance Shares or other entitlements under this Rule 17, the Board may impose any conditions that it thinks fit.

18 Rights attaching to Plan Shares

18.1 Shares to rank equally

Any Plan Shares issued by the Company to a Participant will rank equally with all existing Shares on and from the date of issue.

18.2 Dividends

Subject to Rule 12.3(b), a Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on the Plan Shares which, at the books closing date for determining entitlement to those dividends, are standing to the account of the Participant.

18.3 Dividend reinvestment

- (a) Subject to Rule 18.3(b), the Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant and such participation must be in respect of all such Plan Shares. Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant.
- (b) Rule 18.3(a) does not apply to Loan Shares.

18.4 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares registered in the Participant's name.

19 Disposal restrictions on Plan Shares

19.1 Board determines

The Board may, in its sole and absolute discretion, determine prior to an Offer being made, whether there will be any restrictions on the disposal of, the granting (or purporting to grant) of any Security Interest in or over, or otherwise on dealing with (or purporting to dispose or deal with), Plan Shares (including Performance Shares) held by any Participants.

19.2 No transfer

Subject to Rule 19.1, Plan Shares, or any beneficial or legal interest in Plan Shares, may not be transferred, encumbered or otherwise disposed of, or have a Security Interest granted over them, by a Participant unless all restrictions on the transfer, encumbrance or disposal of the Plan Shares have been met, the Board has waived any such restrictions, or prior consent of the Board is obtained which consent may impose such terms and conditions on such transfer, encumbrance or disposal as the Board sees fit.

19.3 Company actions

The Company may do such things and enter into such arrangements with the Company's share registry or otherwise as it considers necessary to enforce the transfer restrictions set out in Rule 19.2, including but not limited to imposing a holding lock on the Plan Shares during the relevant restriction period. Participants will be bound by any action by the Company under this Rule 19.3.

19.4 Overriding restrictions on dealing with Plan Shares

Plan Shares must not be dealt with under this Plan if to do so would contravene Applicable Laws.

19.5 Plan Shares entitlements

Subject to Rule 12.3(b) and for the avoidance of doubt, the imposition of a restriction on the Plan Shares held by a Participant pursuant to Rule 19.1 will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the

Company or Shareholders, and to receive any dividends declared by the Company during the relevant restriction period.

19.6 Company's Share Trading Policy

At all times Participants must comply with the Company's Securities Trading Policy.

20 Change of Control Event

- (a) On the occurrence of a Change of Control Event, the Board may in its sole and absolute discretion determine that all or a percentage of:
 - (i) unvested Performance Shares will vest;
 - (ii) unvested Options will vest and become exercisable in accordance with Rule 20(c);
 - (iii) unvested Performance Rights will vest and be automatically converted in accordance with Rule 20(c); and
 - (iv) unvested Performance Share Rights will vest and will be automatically converted in accordance with Rule 20(c),with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment or engagement of the Participant is terminated or ceases in connection with the Change of Control Event.
- (b) In exercising the discretion with respect to unvested Awards in accordance with Rule 20(a), the Board may determine that vesting take place on a pro rata basis taking into consideration an assessment of the Participant's current and anticipated achievement of Performance Conditions and any other relevant criteria.
- (c) Whether or not the Board determines to accelerate the vesting of any Awards, the Company shall give written notice of any proposed Change of Control Event to each Participant. Upon the giving of any such notice:
 - (i) a Participant shall be entitled to exercise, at any time within the 14 day period following the giving of such notice, all or a portion of those Options granted to such Participant which are then vested and exercisable in accordance with their terms, as well as any unvested Options which shall become vested and exercisable in connection with the completion of such Change of Control Event. Unless the Board determines otherwise (in its sole and absolute discretion), upon the expiration of such 14 day period, all rights of the Participants to exercise any outstanding Options, whether vested or unvested, shall terminate and all such Options shall immediately lapse, expire and cease to have any further force or effect, subject to the completion of the relevant Change of Control Event;
 - (ii) such Performance Rights as the Board has determined should vest pursuant to Rule 20(a)(iii) shall be automatically exercised in full upon issuing of such notice in accordance with their terms (except with respect to the original Vesting Conditions and the number of Performance Rights vesting and as otherwise modified in such written notice);
 - (iii) all Performance Rights other than those the Board has determined should vest pursuant to Rule 20(a)(iii) shall lapse on the date of the relevant Change of Control Event;

- (iv) such Performance Share Rights as the Board has determined should vest pursuant to Rule 20(a)(iv) shall be automatically exercised in full in upon issuing of such notice accordance with their terms (except with respect to the original Vesting Conditions and the number of Performance Share Rights vesting and as otherwise modified in such written notice); and
- (v) all Performance Share Rights other than those the Board has determined should vest pursuant to Rule 20(a)(iv) shall lapse on the date of the relevant Change of Control Event.

21 Capital events

21.1 Variation of capital

If there are variations to the share capital of the Company including a variation or rights issue, sub-division, consolidation, reduction, return or cancellation of share capital, a demerger (in whatever form) or other distribution in specie, the Board may:

- (a) adjust the number of Performance Shares issued pursuant to an Offer in accordance with the Listing Rules;
- (b) adjust the number of Options to which a Participant is entitled and the Exercise Price in accordance with the Listing Rules;
- (c) adjust the number of Performance Rights to which a Participant is entitled in accordance with the Listing Rules; and
- (d) adjust the number of Performance Share Rights to which a Participant is entitled and the Conversion Price in accordance with the Listing Rules.

21.2 Fairness in application

In the application of this Rule 21, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules.

21.3 Notice of variation

As soon as reasonably practicable after making any adjustment under Rule 21.1, the Board will give notice in writing of the adjustment to any Participant affected by it.

22 Power of Attorney

In consideration of the issue of the Awards, each Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney, to do all acts and things and to complete and execute any documents, including share transfers, in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of these Rules or the terms of the Awards, including for the purposes of giving effect to the buy-back or sale of Loan Shares or forfeited Plan Shares, and the application of the proceeds of the sale of Loan Shares or forfeited Plan Shares. The Participant (or after his or her death, his or her legal representative) will be deemed to ratify and confirm any act or thing done under this power and to indemnify and keep indemnified the attorney in respect of doing so.

23 Powers of the Board

This Plan will be administered by the Board which will have an absolute discretion to:

- (a) determine appropriate procedures for administration of the Plan consistent with this Plan;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Plan;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions under this Plan; and
- (d) formulate special terms and conditions (subject to the Listing Rules), in addition to those set out in this Plan to apply to Participants employed and/or resident in and/or who are citizens of countries other than Australia. Each of these special terms and conditions will be restricted in their application to those Participants employed and/or resident in and/or who are citizens of other jurisdictions.

24 Taxation

24.1 No liability

Neither the Company nor its directors, officers, employees, representatives, advisers or agents:

- (a) take any responsibility or assume any liability for the Tax liabilities of Eligible Persons or Participants as a consequence of their participation in the Plan; or
- (b) represent or warrant that the Plan will have any particular Tax or financial consequences or that the Eligible Person or Participant will gain any Tax or financial advantage by participating in the Plan.

24.2 Taxes

Upon the issue or exercise of an Award, the Participant shall make arrangements satisfactory to the Company regarding payment of any federal, state, provincial, local or other taxes of any kind required by law to be paid in connection with the issue or exercise of an Award. In order to satisfy the Company's obligation, if any, to remit an amount to a taxation authority on account of such taxes in respect of the exercise, transfer or other disposition of an Award (the "Withholding Tax Amount"), the Company shall have the right, at its discretion, to:

- (a) retain and withhold amounts from any amount or amounts owing to the Participant, whether under this Plan or otherwise;
- (b) require the Participant to pay to the Company the Withholding Tax Amount as a condition of exercise or issue of an Award by a Participant, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and/or
- (c) withhold from the Plan Shares otherwise deliverable to the Participant on exercise of Options or conversion of Performance Rights or Performance Share Rights such number of Shares as have a market value not less than the Withholding Tax Amount and cause such withheld Shares to be sold on the Participant's behalf to fund the Withholding Tax Amount, where:
 - (i) the Company will not be responsible for obtaining any particular price for the Shares;

- (ii) the proceeds of any Shares sold shall be held by the Company on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and
- (iii) any proceeds from such sale in excess of the Withholding Tax Amount shall be promptly paid over to the Participant.

Notwithstanding the foregoing, nothing shall preclude the Company and the Participant from agreeing to use a combination of the methods described in this Rule 24.2 or some other method to fund the Withholding Tax Amount.

25 Commencement, suspension, termination and amendment of the Plan

25.1 Commencement

Subject to the passing of any necessary resolution approving the establishment of the Plan and the issue of the Awards, the Plan will take effect when the Board decides.

25.2 Suspension or termination

- (a) Subject to Rule 25.2(b), the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.
- (b) In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

25.3 Options Issued Before Termination

Participants who hold an Option issued pursuant to the Plan, before termination of the Plan under Rule 25.2, will continue to be entitled to exercise such Option in accordance with the Plan and the Company will be bound to comply with the Plan in respect of such Options.

25.4 Amendment of Plan

- (a) Subject to Rules 25.4(b) and 25.4(c), the Listing Rules and the Constitution, the Board may at any time amend these Rules or the terms upon which any Awards have been granted under the Plan. Without limiting the scope of the foregoing, the Board may make the following amendments to the Plan without shareholder approval:
 - (i) amendments of the type described in Rule 25.4(b)(i);
 - (ii) amendments of a "housekeeping" nature, which include amendments relating to the administration of the Plan or to eliminate any ambiguity or correct or supplement any provision herein which may be incorrect or incompatible with any other provision hereof;
 - (iii) changing the vesting and exercise provisions of the Plan or any Awards in a manner which does not entail an extension beyond the originally scheduled expiry date or end date for any applicable Award, including to provide for accelerated vesting and early exercise of any Awards deemed necessary or advisable in the Board's discretion;
 - (iv) changing the termination provisions of the Plan or any Awards which, in the case of an Award, does not entail an extension beyond an Award's originally scheduled expiry date or end date for that Award;

- (v) adding a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying Shares from the Plan reserve;
 - (vi) changing the provisions on transferability of Awards for normal estate settlement purposes;
 - (vii) changing the process by which a Participant who wishes to exercise his or her Award can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and
 - (viii) adding a conditional exercise feature which would give Participants the ability to conditionally exercise in certain circumstances determined by the Board in its discretion, at any time up to a date determined by the Board in its discretion, all or a portion of those Awards granted to such Participants which are then vested and exercisable in accordance with their terms, as well as any unvested Awards which the Board has determined shall be immediately vested and exercisable in such circumstances.
- (b) No amendment to these Rules or to the terms of any Awards granted under the Plan may be made if the amendment materially reduces the rights of any Participant in respect of Awards granted to them prior to the date of the amendment, other than:
- (i) an amendment introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) to allow the implementation of a trust arrangement in relation to the holding of Plan Shares granted under the Plan;
 - (D) for the purpose of complying with Applicable Laws; and/or
 - (E) to take into consideration possible adverse taxation implications (including, without limitation, on account of fringe benefits tax) for the Company in respect of the Plan or the Awards granted, including as a result of changes to applicable taxation legislation or the interpretation of that legislation by any taxation authority or a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
 - (ii) an amendment agreed to in writing by the Participant(s).
- (c) Notwithstanding anything contained herein to the contrary, no amendment to the Plan requiring the approval of the shareholders of the Company under any applicable securities laws or requirements shall become effective until such approval is obtained. Without limitation of the foregoing, the approval of a majority of the shareholders of the Company present in person or by proxy and entitled to vote at a meeting of shareholders shall be required for the following matters, to the extent required by applicable securities laws and regulatory requirements:
- (i) any amendment to the provisions of this Rule 25.4;
 - (ii) any amendment to increase the Plan Limit or the Maximum Limit (other than pursuant to Rule 21.1);
 - (iii) any reduction in the Exercise Price of an outstanding Option (including a cancellation and re-grant of an Option, constituting a reduction of the

Exercise Price of an Option) or extension of the period during which an Option may be exercised,

in each case, unless the change results from the application of Rule 21.

- (d) Subject to the Listing Rules and, if applicable, any shareholder approval, the Board may determine that any amendment to these Rules or the terms of Awards granted under the Plan be given retrospective effect.
- (e) Amendment of these Rules or the terms upon which Awards are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (f) As soon as reasonably practicable after making any amendment to these Rules or the terms of Awards granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

25.5 Amendment by addendum

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

26 Listing Rules

While the Company remains admitted to the ASX, the terms and conditions of the Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Plan and the Listing Rules then the Listing Rules will prevail.

27 Buy-Back

Subject to compliance with Applicable Laws, the Company may Buy-Back Awards for an amount agreed with the Participant at any time. Each Participant will do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back of his or her Awards or Plan Shares.

28 Contravention of Applicable Laws

- (a) No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of unexercised Awards or Plan Shares.
- (b) Notwithstanding any of the provisions contained in this Plan or in any Offer, the Company's obligation to issue Plan Shares shall be subject to the following:
 - (i) completion of such registration or other qualification of such Shares and the receipt of any approvals of governmental authority or stock exchange as the Company shall determine to be necessary or advisable in connection with the authorisation, issuance or sale thereof;
 - (ii) the admission of such Shares to listing on any stock exchange(s) or over-the-counter market on which the Shares may then be listed or quoted; and
 - (iii) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Shares, as the

Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any applicable jurisdiction.

- (c) In connection with Rule 28(b), the Company shall, to the extent necessary, take all steps determined by the Board, in its discretion, to be reasonable to obtain such approvals, registrations and qualifications as may be necessary for the issuance or procurement of such Shares in compliance with applicable securities laws and for the listing or quotation of such Shares on any stock exchange(s) on which the Shares are then listed or quoted.

29 Rights of Participants

Nothing in these Rules, participation in the Plan or the terms of any Award:

- (a) confers upon an Eligible Person a right to a grant or offer of a grant of Awards;
- (b) confers on an Eligible Person or a Participant the right to continue as an employee, Consultant or officer of any Group Company (as the case may be) or participate in the Plan;
- (c) affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Person or a Participant (as the case may be);
- (d) affects the rights and obligations of any Eligible Person or Participant under the terms of their employment, engagement or office with any Group Company;
- (e) confers any legal or equitable right on an Eligible Person or a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;
- (f) confers on an Eligible Person or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (g) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives, advisers or agents in respect of any taxation liabilities of the Eligible Person or Participant.

30 ASIC relief

Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this Rule 30 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

31 Non-exclusivity

31.1 Non-exclusivity

This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Person, nor will it preclude any Group Company from authorising

or approving other forms of incentive compensation for employees or Consultants of any Group Company.

31.2 Relationship to other equity plans

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by any Group Company, except as specifically provided in the terms of that other plan.

32 General

32.1 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares (except for taxes, which are payable by Participants), and the Exercise Price for Options or Conversion Price for Performance Share Rights) for the purposes of the Plan. Each Group Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees or officers, or former employees or officers.

32.2 Data protection

By submitting an Application, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

32.3 Error in Allocation

If any Award is provided under this Plan in error or by mistake to a person ("Mistaken Recipient") who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Award and any such Awards will immediately lapse or be forfeited.

32.4 Dispute

Any disputes or differences of any nature arising under the Plan will be referred to the Board for determination.

32.5 No fiduciary capacity

The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

32.6 Non-residents of Australia

- (a) The Board may adopt additional Rules applicable to any jurisdiction outside Australia under which Awards offered under the Plan may be subject to additional or modified terms, having regard to any securities exchange control or taxation

laws or regulations or similar factors which may apply to the Participant or any Group Company in relation to those Awards. Any additional Rule must conform to the basic principles of the Plan.

- (b) When an Award is granted under the Plan to a Participant who is not a resident of Australia, the Rules apply subject to such alterations or additional terms as the Board determines having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the Award.

32.7 Enforcement

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Awards granted under the Plan, will be deemed to form a contract between the Company and the Participant.

32.8 Participants Bound

Participants issued Awards under this Plan are bound by this Plan and by the Constitution of the Company.

32.9 Notices

(a) Address for service

- (i) Any notice required to be given to the Participants under the Plan or the terms of the Awards granted will be sent to the address of the Participant as entered in the register unless delivered in person.
- (ii) Any notice required to be given to the Company under the Plan or the terms of the Awards granted will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.

(b) Delivery of notices

- (i) Any notice to be given to Participants may be delivered by hand to the Participant or by any other means specified in the Constitution for delivery of notices to members.
- (ii) Any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, e-mail or other mode of electronic delivery to such address as is notified by the Company to the Participant.
- (iii) Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia. Notices delivered by facsimile, e-mail or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

32.10 Governing Law

This Plan and any Awards granted under it shall be governed by and is to be construed in accordance with the laws of the State of Western Australia and the Commonwealth of Australia.

Annexure 1

**My ATM Holdings Ltd
(to be renamed "iWebGate Limited")
ACN 141 509 426**

iWebGate Limited
Employee Incentive Plan

Option Exercise Notice

To: The Directors

iWebGate Limited ("the Company")

I/We (Mr Mrs Ms) _____ ("Applicant")

of _____

hereby exercise my/our Options to subscribe for –

_____ fully paid (in words)
_____ (in figures) ordinary shares in the capital of the Company at an
exercise price of \$ _____ per fully paid ordinary share and enclose payment in full of
\$ _____.

I/We request you allot to me/us and I/we agree to accept the shares subject to the constitution of the Company. If this application is signed by an attorney, the attorney hereby declares that he has no notice of revocation of the power under authority of which this application is signed. (companies should sign under seal).

Signed for or on behalf of the Applicant

Dated this _____ day of _____ 20____



My ATM Holdings Limited
ACN 141 509 426

PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of My ATM Holdings Limited and entitled to attend and vote hereby appoint the following proxy/proxies to attend and act on my/our behalf and to vote in accordance with my/our following directions at the General Meeting of My ATM Holdings Limited to be held at Trident Capital, Level 24, 44 St Georges Terrace, Perth, Western Australia on 17 September 2014 at 10.30am (WST) and at any adjournment of that meeting.

☐

The Chairman
of the meeting

(mark with an 'X')

IMPORTANT FOR RESOLUTIONS 9 TO 11(b):

If the Chairman of the meeting is your proxy, you expressly authorize him/her to exercise your proxy in respect of Resolutions 9 to 11(b) (except where I/we have indicated a different voting intention below) even though Resolutions 9 to 11(b) are connected directly or indirectly with the remuneration of a member of the key management personnel, which includes the Chairman. The Chairman of the meeting intends to vote undirected proxies in favour of each resolution.

OR

If the person you are appointing as your proxy is someone other than the Chairman of the meeting:
Write the name of that person in the box below.

 %

You must specify the % of your votes that you authorise your proxy to exercise if:

If you hold 2 or more Shares in #full company name#, you may appoint a second proxy:

Write the name of your second proxy in the box below.

 %

- (a) you have only appointed 1 proxy and do not want him/her to exercise all of your votes; or
 (b) if you have appointed 2 proxies under this proxy form.

If you do not name a proxy or your named proxy fails to attend the meeting, the Chairman of the meeting will be appointed as your proxy to attend and act on your behalf and to vote in accordance with the following directions at the General Meeting of My ATM Holdings Limited to be held at Trident Capital, Level 24, 44 St Georges Terrace, Perth, Western Australia on 17 September 2014 at 10.30am (WST) and at any adjournment of that meeting.

Voting directions to your proxy - Please mark only one of the boxes with an "X" for each resolution to indicate your directions.

Special Business

	For	Against	Abstain
Resolution 1. Capital Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2. Change in nature and scale of activities of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a). Issue of consideration to Related iWG Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b). Issue of consideration to Unrelated iWG Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4. Issue of New Shares pursuant to the Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5. Right to apply under the Prospectus by Existing Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6(a). Issue of Facilitation Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6(b). Issue of Facilitation Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7. Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8(a). Appointment of Proposed Directors (Mr Timothy Gooch)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8(b). Appointment of Proposed Directors (Mr Mark Harrell)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9. Approval of Incentive Plan (iWebGate Limited Employee Incentive Plan)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(a). Approval of Issue of Incentive Options to Mr Timothy Gooch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(b). Approval of Issue of Incentive Options to Mr Mark Harrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11(a). Approval to give a financial benefit by way of loan to Mr Timothy Gooch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11(b). Approval to give a financial benefit by way of loan to Mr Mark Harrell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1 If you mark the "Abstain" box with an "x" for a particular resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll.

PLEASE SIGN HERE

implemented

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete this Proxy Form

1. Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2. Appointment of a Proxy

If you wish to appoint the Chairman of the meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy. A proxy need not be a shareholder of the Company.

3. Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution 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 a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy please write the name of that person.

To appoint a second proxy you must state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If the Proxy Form does not specify a percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

5. Signing Instructions

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

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

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

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

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

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

6. Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting ie. no

later than 10.30am (WST) on 15 September 2014. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at Level 24, 44 St Georges Terrace, Perth WA 6000 or sent by facsimile to the registered office on +61 8 9218 8875.