

**HEARMEOUT LIMITED  
ACN 614 043 177**

**NOTICE OF GENERAL MEETING**

**A General Meeting of the Company will be held at the offices of Nova Legal, Level 2, 50 Kings Park Road, West Perth, Western Australia on Monday, 18 December 2017 at 10.00am (AWST).**

*This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (08) 6377 8043.*

**Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice**

---

# HEARMEOUT LIMITED

A C N 6 1 4 0 4 3 1 7 7

---

## NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of HearMeOut Limited (**Company**) will be held at the offices of Nova Legal, Level 2, 50 Kings Park Road, West Perth, Western Australia, on Monday, 18 December 2017 at 10.00am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Saturday, 16 December 2017 at 10.00am (AWST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

## AGENDA

---

### 1. Resolution 1 - Re-election of Director - Mr Glenn Whiddon

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

*"That, for the purposes of Article 6.3(i) of the Constitution and for all other purposes, Mr Glenn Whiddon, a Director who was appointed on 11 September 2017, retires and, being eligible, is re-elected as a Director."*

---

### 2. Resolution 2 - Re-election of Director - Mr David Tasker

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

*"That, for the purposes of Article 6.3(i) of the Constitution and for all other purposes, Mr David Tasker, a Director who was appointed on 11 September 2017, retires and, being eligible, is re-elected as a Director."*

---

### 3. Resolution 3 - Authority to grant Incentive Options to Mr Glenn Whiddon

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

*"That, for the purposes of Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, approval is given for the Company to grant 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr Glenn Whiddon"*

*(or his nominees) under the Option Plan on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a Director (other than a Director who is not eligible to participate in the Option Plan) and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

---

## **4. Resolution 4 - Authority to grant Incentive Options to Mr David Tasker**

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

*"That, for the purposes of Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, approval is given for the Company to grant 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr David Tasker (or his nominees) under the Option Plan on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a Director (other than a Director who is not eligible to participate in the Option Plan) and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

---

## **5. Resolution 5 - Authority to grant Incentive Options to Mr Moran Chamsi**

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

*"That, for the purposes of Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, approval is given for the Company to grant 1,200,000 Tranche*

*1 Incentive Options to Mr Moran Chamsi (or his nominees) under the Option Plan on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a Director (other than a Director who is not eligible to participate in the Option Plan) and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

---

## **6. Resolution 6 - Authority to grant Incentive Options to Mr Yitzchak Livian**

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

*"That, for the purposes of Listing Rule 10.14, Chapter 2E of the Corporations Act, and for all other purposes, approval is given for the Company to grant 1,200,000 Tranche 1 Incentive Options to Mr Yitzchak Livian (or his nominees) under the Option Plan on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a Director (other than a Director who is not eligible to participate in the Option Plan) and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with 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.

---

## **7. Resolution 7 - Section 195 Approval**

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

*"That, subject to and conditional on Resolutions 3 to 6 being passed, for the purposes of section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Directors to complete the transactions as contemplated in Resolutions 3 to 6."*

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'P. Webse', is positioned above the printed name.

Peter Webse  
**Company Secretary**  
Dated: 31 October 2017

---

# HEARMEOUT LIMITED

A C N 6 1 4 0 4 3 1 7 7

---

## EXPLANATORY MEMORANDUM

---

### 1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Nova Legal, Level 2, 50 Kings Park Road, West Perth, Western Australia, on Monday, 18 December 2017 at 10.00am (AWST).

The Explanatory Memorandum forms part of the Notice, which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolutions 1 and 2 - Re-election of Directors - Mr Glenn Whiddon and Mr David Tasker
Section 4	Resolutions 3 to 6 - Authority to grant Incentive Options to Related Parties
Section 5	Resolution 7 - Section 195 Approval
Schedule 1	Definitions
Schedule 2	Summary of the Option Plan
Schedule 3	Principle Terms and Conditions of Incentive Options

A Proxy Form is located at the end of the Explanatory Memorandum.

---

### 2. Action to be taken by Shareholders

#### 2.1 Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### 2.2 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the

instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company 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.

### **2.3 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 3 to 7 if:

- (a) the person is either:
  - (i) a member of the Key Management Personnel of the Company; or
  - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 3 to 7.

However, the prohibition does not apply if:

- (a) the proxy is the Chairman; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 3 to 7 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

The Chair intends to exercise all available proxies in favour of Resolutions 3 to 7.

---

## **3. Resolutions 1 and 2 - Re-election of Directors - Mr Glenn Whiddon and Mr David Tasker**

Article 6.2(b) of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 6.3(i) of the Constitution, a Director appointed under Article 6.2(b) may retire at the next general meeting of the Company and is eligible for re-election at that meeting. Pursuant to Article 6.3(j) of the Constitution, where a Director so appointed has retired under Article 6.3(i) of the Constitution, that Director is not required to retire at the next annual general meeting of the Company and stand for re-election at that meeting.

Mr Glenn Whiddon and Mr David Tasker, having been appointed as a Directors on 11 September 2017 in accordance with the Constitution, will retire and being eligible, seek approval to be re-elected as a Directors under Resolutions 1 and 2.

Mr Whiddon has significant experience in global investment markets. He has an extensive background in banking, corporate advisory and direct equity investments having worked for Bank of New York in Australia, Europe and Russia. In 1994 he established a boutique merchant bank in Moscow, providing corporate advice and undertaking direct investments in the finance and natural resources sector over a nine-year period. Mr Whiddon is currently chairman and serving as a director of a number of Australian and international publicly listed companies.

He holds an economics degree from Macquarie University.

Mr Tasker has extensive experience in the global capital markets, having led the capital markets function, as National Director - Investor Relations, for WWP ANZ owned company Professional Public Relations for more than 13 years. In this role, he directly oversaw the media and investor relations strategy, and associated implementation, for a large range of listed and unlisted companies. He has extensive contacts throughout the Australasian media and investor communities and he has served as a director of Australian public companies.

He also launched and retains co-ownership of leading investor focused publishing assets The Pick and TechInvest (website and magazine).

Mr Tasker holds a Bachelor of Commerce from Murdoch University, Western Australia.

The Board recommends that Shareholders vote in favour of Resolutions 1 and 2.

Resolutions 1 and 2 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 1 and 2.

---

## **4. Resolutions 3 to 6 - Authority to grant Incentive Options to Related Parties**

### **4.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to issue the following Incentive Options to Directors as a long-term incentive in connection with their role as Directors and/or executives of the Company:

- (a) 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr Glenn Whiddon;
- (b) 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr David Tasker;
- (c) 1,200,000 Tranche 1 Incentive Options to Mr Moran Chamsi; and
- (d) 1,200,000 Tranche 1 Incentive Options to Mr Yitzchak Livian.

The above Incentive Options are to be issued by the Company under the Company's Employee Options Plan (a summary of the terms of which was included in the



Prospectus which the Company lodged with ASIC on 18 October 2016 (**Option Plan**). A summary of the Option Plan is included in Schedule 2.

The Company has also agreed to issue 1,200,000 Tranche 1 Incentive Options to Chief Technology Officer, Lior Menashe under the Option Plan.

The Company has considered the remuneration structures of several of its ASX listed peer companies to determine a suitable quantum and structure of an incentive based remuneration plan for management and executive and non-executive members of the Board. As a result of this review the Company believes that the issue of the Incentive Options is a fair and reasonable incentive based remuneration package. In considering the above remuneration package, the Company has researched and considered recent incentive plans implemented by the Company's peers.

Resolutions 3 to 6 seek Shareholder approval for the grant of the Incentive Options to Directors Mr Glenn Whiddon, Mr David Tasker, Mr Moran Chamsi and Yitzchak Livian (or their nominees). Shareholder approval is not required to issue the Incentive Options to Mr Lior Menashe under the Option Plan as he is not a Director.

Each Incentive Option entitles the holder to subscribe for a Share upon payment of the exercise price. The Board is intending to grant Incentive Options in three classes with the exercise prices, expiry date and vesting conditions as follows:

Tranche	Exercise Price	Expiry Date	Vesting Date	Vesting Conditions
Tranche 1 Incentive Options	\$0.00	5 years from the date of grant	11 September 2018 (Cliff Date)	Continuous provision of services to the Company from the date of grant until the relevant Vesting Date.
Tranche 2 Incentive Options	\$0.15	5 years from the date of grant	For each of Messrs Whiddon and Tasker, 300,000 of the Tranche 2 Incentive Options shall vest at the end of each 6-month period after the Cliff Date (such that all Tranche 2 Incentive Options will become vested by 11 September 2020.	Continuous provision of services to the Company from the date of grant until the relevant Vesting Date.
Tranche 3 Incentive Options	\$0.25	5 years from the date of grant	For each of Messrs Whiddon and Tasker, 300,000 of the Tranche 3 Incentive Options shall vest at the end of each 6-month period after the Cliff Date (such that all Tranche 3 Incentive Options will become vested by 11 September 2020.	Continuous provision of services to the Company from the date of grant until the relevant Vesting Date.

If a Vesting Condition is not satisfied on the applicable Vesting Date, the relevant Incentive Options will lapse on the Expiry Date.

If any takeover, merger, trade sale or change of control event occurs, any unvested Incentive Options will immediately vest (subject to the applicable Director's continued provision of services to the Company from the date of grant up until the relevant date).

The principle terms and conditions of the Incentive Options are set out in Schedule 3. Further terms and conditions of the Incentive Options are set out in the summary of the Option Plan in Schedule 2. The Incentive Options to be granted to Messrs Chamsi, Livian and Menashe will also include detailed terms relating to Israeli tax matters.

#### **4.2 Chapter 2E of the Corporations Act and Listing Rule 10.14**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Incentive Options constitutes giving a financial benefit and Mr Glenn Whiddon, Mr David Tasker, Mr Moran Chamsi and Mr Yitzchak Livian are related parties of the Company by virtue of being Directors.

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Incentive Options under the Option Plan to each of Mr Glenn Whiddon, Mr David Tasker, Mr Moran Chamsi and Mr Yitzchak Livian under Chapter 2E of the Corporations Act.

In addition, Shareholder approval is required for the grant of the Incentive Options under the Option Plan to each of Mr Glenn Whiddon, Mr David Tasker, Mr Moran Chamsi and Mr Yitzchak Livian under Listing Rule 10.14 because each is a Director of the Company.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Incentive Options to the Directors will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

Resolutions 3 to 6 are ordinary resolutions.

#### **4.3 Specific Information required by ASX Listing Rule 10.15 and section 219 of the Corporations Act**

Pursuant to and in accordance with ASX Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 3 to 6:

- (a) The maximum number of securities to be issued to the Directors (and/or their nominees) is as follows:
  - (i) 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr Glenn Whiddon;

- (ii) 3,600,000 Incentive Options (comprising 1,200,000 Tranche 1 Incentive Options, 1,200,000 Tranche 2 Incentive Options and 1,200,000 Tranche 3 Incentive Options) to Mr David Tasker;
  - (iii) 1,200,000 Tranche 1 Incentive Options to Mr Moran Chamsi; and
  - (iv) 1,200,000 Tranche 1 Incentive Options to Mr Yitzchak Livian.
- (b) The Incentive Options will be issued for nil cash consideration as they are being issued as incentive based remuneration. Accordingly, no funds will be raised from the issue of the Incentive Options. Upon exercise of the Incentive Options, Shares will be issued on a one for one basis on the same terms as the Company's existing Shares. The exercise price of:
  - (i) the Tranche 1 Incentive Options is nil;
  - (ii) the Tranche 2 Incentive Options is \$0.15 per Option; and
  - (iii) the Tranche 3 Incentive Options is \$0.25 per Option.
- (c) The Incentive Options will be granted in three tranches with the exercise prices, vesting conditions, and expiry dates as set out in Section 4.1. The principle terms and conditions of the Incentive Options are set out in Schedule 3. Further terms and conditions of the Incentive Options are set out in the summary of the Option Plan in Schedule 2. The Incentive Options to be granted to Messrs Chamsi, Livian and Menashe will also include detailed terms relating to Israeli tax matters.
- (d) The following persons have received have received Securities under the Option Plan since listing:
  - (i) Mr Moran Chamsi received the following Securities under the Option Plan on listing:
    - (A) 4,333,334 Class A Performance Options;
    - (B) 4,333,334 Class B Performance Options;
    - (C) 4,333,334 Class C Performance Options; and
    - (D) 1,416,002 Class D Performance Options;
  - (ii) Mr Yitzchak Livian received the following Securities under the Option Plan on listing:
    - (A) 4,333,333 Class A Performance Options;
    - (B) 4,333,333 Class B Performance Options;
    - (C) 4,333,333 Class C Performance Options; and
    - (D) 1,415,999 Class D Performance Options; and
  - (iii) Mr Lior Menashe received the following Securities under the Option Plan on listing:
    - (A) 4,333,333 Class A Performance Options;

- (B) 4,333,333 Class B Performance Options;
- (C) 4,333,333 Class C Performance Options; and
- (D) 1,415,999 Class D Performance Options.

In addition to the above and the Incentive Options to be granted under Resolution 3 to 6, as noted in Section 4.1, the Company has agreed to grant 1,200,000 Tranche 1 Incentive Options to Chief Technology Officer, Lior Menashe.

- (e) Under the Option Plan, only eligible employees or their nominees (subject to Board approval), are entitled to participate in the Option Plan. Each of the Directors is an eligible employee for the purposes of the Option Plan.
- (f) Voting exclusion statements are included in the Notice.
- (g) The Company will grant the Incentive Options no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). The Company expects to grant the Incentive Options promptly following the Meeting.
- (h) If all of the Incentive Options granted are exercised it may result in a dilution of all other Shareholders' holdings in the Company by 12.74% based on the Shares currently on issue (assuming no Options other than the Incentive Options are exercised).
- (i) The Directors receive the amounts specified in the table below as Directors' fees, and have received the amounts specified below since their appointments as Directors:

Director	Annual Director's fees	Amounts received since appointment	Date of appointment
Mr Glenn Whiddon	\$45,000 per annum	\$3,750	11/09/2017
Mr David Tasker	\$90,000 per annum	\$7,500	11/09/2017
Mr Moran Chamsi	\$242,549 per annum	\$231,025	29/11/2016
Mr Yitzchak Livian	\$241,333 per annum	\$230,293	29/11/2016

- (j) As at the date of this Notice, the Directors have an interest in the following Securities of the Company:

Director	Securities in which the Director has an interest
Mr Glenn Whiddon	Nil
Mr David Tasker	Nil

Mr Moran Chamsi	7,555,710 Shares; 755,577 Options expiring 02/12/2021 at \$0.20; 4,333,334 Class A Performance Options expiring 01/01/2022; 4,333,334 Class B Performance Options expiring 01/01/2022; 4,333,334 Class C Performance Options expiring 01/01/2022; 1,416,002 Class D Performance Options expiring 01/01/2022;
Mr Yitzchak Livian	2,641,427 Shares; 264,148 Options expiring 02/12/2021 at \$0.20; 4,333,333 Class A Performance Options expiring 01/01/2022; 4,333,333 Class B Performance Options expiring 01/01/2022; 4,333,333 Class C Performance Options expiring 01/01/2022; 1,415,999 Class D Performance Options expiring 01/01/2022;

- (k) On the basis of the assumptions below, the Company has determined the technical value of the Incentive Options to be as follows:

Tranche	Value of each Incentive Option	Total Value of Incentive Options received by Mr Whiddon	Total Value of Incentive Options received by Mr Tasker	Total Value of Incentive Options received by Mr Chamsi	Total Value of Incentive Options received by Mr Livian
Tranche 1 Incentive Options	\$0.195	\$234,000	\$234,000	\$234,000	\$234,000
Tranche 2 Incentive Options	\$0.1527	\$183,240	\$183,240	nil	nil
Tranche 3 Incentive Options	\$0.1500	\$180,000	\$180,000	nil	nil
<b>Total</b>	-	<b>\$597,240</b>	<b>\$597,240</b>	<b>\$234,000</b>	<b>\$234,000</b>

The value may go up or down after that date as it will depend on the future price of a Share. Black & Scholes methodology has been used, together with the following assumptions:

- (i) The market price per Share as at the valuation date of 20 October 2017 was 19.5 cents;

- (ii) The exercise prices of the Incentive Options are as set out in 4.3(b) above;
  - (iii) The Incentive Options will expire 5 years from the date of grant;
  - (iv) The price volatility of the Shares is 100%;
  - (v) The risk-free interest rate is 2.28%; and
  - (vi) Dividends are unlikely to be paid during the life of the Incentive Options.
- (l) The market price of Shares would normally determine whether the Directors will exercise the Incentive Options or not. If the Options are exercised at a price that is lower than the price at which Shares are trading on ASX, there may be a perceived cost to the Company.
- (m) Historical share price information for the 12 months prior to the date of this Notice is as follows (from listing on 6 December 2016 to the date of this Notice):

	Price	Date
Highest	\$0.30	08/12/2016
Lowest	\$0.07	21/06/2017
Last	\$0.17	30/10/2017

- (n) As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.
- (o) Other than the Director to whom the Resolution relates, no Director has a personal interest in the outcome of Resolutions 3 to 6.
- (p) All of the Directors (other than the Director to whom the Resolution relates) recommend that Shareholders vote in favour of Resolutions 3 to 6 as the Incentive Options will provide a key component of the incentive portion of the Directors' remuneration in order to retain their services and to provide incentives linked to the performance of the Company. Each Director has an interest in the outcome of the Resolution relating to them, and therefore believes it is inappropriate to make a recommendation on that Resolution.
- (q) In forming their recommendations, the Directors considered the experience of the other Directors, the current market price of Shares, the current market practices (based on a review of publicly available information relating to the remuneration structures of several of its ASX listed peer companies) when determining the number of Incentive Options to be granted as well as the exercise price, expiry date and vesting conditions of those Incentive Options.
- (r) Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 3 to 6.

---

## 5. Resolution 7 - Section 195 Approval

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered.

Some of the Directors may have a material personal interest in the outcome of Resolutions 3 to 6. In the absence of this Resolution 7, the Directors may not be able to form a quorum at directors’ meetings necessary to carry out the terms of Resolutions 3 to 6.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve upon.

Resolution 7 is an ordinary resolution and is subject to Resolutions 3 to 6 being passed.

## Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

AWST means Australian Western Standard Time being the time in Perth, Western Australia.

Board means the board of Directors.

Business Day means a day (not being a Saturday or Sunday) on which banks are open for general banking business in Perth, Western Australia.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means HearMeOut Limited ACN 614 043 177.

Constitution means the constitution of the Company as at the date of the Meeting.

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

Director means a director of the Company.

Equity Security has the same meaning as in the Listing Rules and Equity Securities has the corresponding meaning.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Incentive Option means an Option granted under the Option Plan, on the principle terms and conditions set out in Schedule 3, and Tranche 1 Incentive Option, Tranche 2 Incentive Option and Tranche 3 Incentive Option have a corresponding meaning.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of general meeting.

Option Plan has the meaning in Section 4.1.



**Proxy Form** means the proxy form attached to the Notice.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

## Schedule 2 - Summary of the Option Plan

- (a) The Board in its discretion may offer Options to full time or part time employees (or directors) of the Company who qualify to participate according to the relevant ASIC relief.
- (b) An Option offered under the Plan may be subject to any conditions as determined by the Board in its absolute discretion.
- (c) Each Option will be issued for nil consideration.
- (d) Each Option can be exercised once all exercise conditions are satisfied and otherwise in accordance with the terms of the Plan and the conditions determined by the Board. Upon exercise, the option will entitle the participant to subscribe for and be allotted one Share.
- (e) Subject to the discretion of the Board, a participant's options will immediately lapse on the earlier of:
  - (i) the participant ceasing to be an employee of the Company (or the Company's group);
  - (ii) the exercise conditions of the Options being unable to be met; or
  - (iii) the Option expiry date passing.
- (f) A Share issued on the exercise of an option will rank equally with all other Shares and the Company will obtain official quotation of the Share on ASX.
- (g) The Board may determine that a restriction period will apply to some or all of the Shares issued to the participant.

The Plan otherwise contains terms considered standard for a document of this nature.

## Schedule 3 - Principle Terms and Conditions of Incentive Options

<b>Entitlement</b>	Each Incentive Option ( <b>Option</b> ) gives the holder ( <b>Optionholder</b> ) the right to subscribe for one fully paid ordinary share in the Company ( <b>Share</b> ) upon exercise of the Option.
<b>Issue price of Options</b>	Options are issued for no consideration.
<b>Exercise Price</b>	<p>The exercise price payable upon exercise of each Option is (<b>Exercise Price</b>):</p> <ul style="list-style-type: none"><li>(a) Tranche 1 Incentive Options: A\$0.00;</li><li>(b) Tranche 2 Incentive Options: A\$0.15; and</li><li>(c) Tranche 3 Incentive Options: A\$0.25.</li></ul>
<b>Vesting Conditions</b>	<p>The vesting of the Options shall be over a period of 3 years, and the commencement date of the Optionholder's vesting schedule is the date that the Company's Board approved the grant of the Options to the Optionholder (subject shareholder approval under Listing Rule 10.14), being 11 September 2017 (<b>Commencement Date</b>):</p> <ul style="list-style-type: none"><li>(a) the Tranche 1 Incentive Options shall vest on the first anniversary of the Commencement Date (<b>Cliff Date</b>); and</li><li>(b) 300,000 of the Tranche 2 Incentive Options and 300,000 of the Tranche 3 Incentive Options shall vest at the end of each six (6) month period after the Cliff Date, such that all Options shall become fully vested by the third anniversary of the Commencement Date,</li></ul> <p>in each case subject to the Optionholder's continued provision of services to the Company continuously from the date of grant until the relevant vesting date (<b>Vesting Conditions</b>).</p> <p>If any takeover, merger, trade sale or change of control event occurs, any unvested Options will immediately vest (subject to the Optionholder's continued provision of services to the Company from the date of grant up until the relevant date).</p>
<b>Expiry Date</b>	5.00pm (WST) on the date which is 5 years from date of grant of the Options.
<b>Exercise Period</b>	The Options are exercisable at any time after the applicable Vesting Condition has been satisfied and on or prior to the Expiry Date
<b>Lapse/Expiry</b>	<p>Unless the Company's board of directors determines otherwise in its absolute discretion, an unexercised Option will lapse upon the earliest to occur of:</p> <ul style="list-style-type: none"><li>(a) where an Optionholder purports to transfer, assign, mortgage, charge or otherwise dispose of or encumber (in whole or in part) an Option; or</li><li>(b) the Expiry Date.</li></ul>
<b>Notice of Exercise</b>	<p>An Optionholder may exercise their Options by lodging with the Company:</p> <ul style="list-style-type: none"><li>(a) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;</li><li>(b) a written notice of exercise of Options specifying the number of Options being exercised (<b>Exercise Notice</b>); and</li><li>(c) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice</li></ul>

is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

<b>Timing of issue of Shares</b>	Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
<b>Shares issued on exercise</b>	All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.
<b>Quotation of Shares on exercise</b>	The Company will apply for official quotation on ASX of all Shares issued upon exercise of Options within 10 Business Days after the date of issue of those Shares.
<b>Quotation of Options</b>	The Options will be unlisted upon grant. No application for quotation of the Options will be made.
<b>Options not transferable</b>	The Options will not be transferable.
<b>Participation in new issues</b>	There are no participation rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options.
<b>Adjustment for bonus issues of Shares</b>	<p>If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):</p> <ul style="list-style-type: none"> <li>(a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and</li> <li>(b) no change will be made to the Exercise Price.</li> </ul>
<b>Adjustment for entitlement issue</b>	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
<b>Adjustments for reorganisation</b>	If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholder may be varied to comply with the ASX Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
<b>Deferred Taxation</b>	The Company will use reasonable endeavours to ensure that the Options will be subject to deferred taxation under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> if the Options are considered to be granted at a discount for taxation purposes.
<b>Plan</b>	The Options will otherwise be issued on the general terms provided for in the Plan.



Hearmeout Limited | ACN 614 043 177

## GM Registration Card

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

# Appointment of Proxy

Holder Number:

### STEP 1: Please appoint a Proxy

#### Appoint a proxy:

I/We being a Shareholder entitled to attend and vote at the General Meeting of the Company, to be held at **10.00 am (AWST) on Monday 18 December 2017 at the Offices of Nova Legal, Level 2, 50 Kings Park Road, West Perth, WA** hereby:

**Appoint the Chairman of the Meeting (Chair)** OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

#### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 3 - 7 (except where I/we have indicated a different voting intention below) even though Resolutions 3 - 7 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

### STEP 2: Voting Direction

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Re-election of Director – Mr Glenn Whiddon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Authority to grant Incentive Options to Mr Moran Chamsi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr David Tasker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Authority to grant Incentive Options Mr Yitzchak Livian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Authority to grant Incentive Options to Mr Glenn Whiddon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Section 195 Approval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Authority to grant Incentive Options to Mr David Tasker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

*Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

### STEP 3

#### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017

Email Address .....

## HOW TO COMPLETE THIS PROXY VOTING FORM

### LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10.00am (AWST) on Saturday, 16 December 2017 being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Voting Forms can be lodged:

 **BY MAIL**  
Company Secretary  
PO Box 271  
West Perth WA 6872

 **BY HAND**  
Company Secretary  
Level 2, 50 Kings Park Road  
West Perth WA 6005

 **ALL ENQUIRIES TO**  
Company Secretary: (08) 6377 8043

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

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

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

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

**Email Address:** Please provide your email address in the space provided.

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

### CORPORATE REPRESENTATIVES

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

### ATTENDING THE MEETING

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

### OTHER RESOLUTIONS

Should any resolution, other than those specified in this Proxy Voting Form, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

### POWER OF ATTORNEY

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