

**De.mem Limited**  
ACN 614 756 642

NOTICE OF ANNUAL GENERAL MEETING



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**NOTICE OF ANNUAL GENERAL MEETING  
AND  
EXPLANATORY STATEMENT TO SHAREHOLDERS**

FOR AN ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON TUESDAY, 29 MAY 2018  
AT CWA HOUSE, 1176 HAY ST, WEST PERTH, WESTERN AUSTRALIA  
AT 9:30AM (AWST)

**IMPORTANT INFORMATION**

*This is an important document that should be read in its entirety.*

*If you do not understand it you should consult your professional advisers without delay.*

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

You are encouraged to attend the meeting, but if you cannot, you are requested to complete and return the enclosed Proxy Form to:-

PO Box 902, West Perth, Western Australia, 6872, no later than 9:30am (AWST) on 27 May 2018.

NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of the members of De.mem Limited ("**De.mem**" or "**the Company**") will be held on the date and at the location and time specified below:

**DATE:** Tuesday, 29 May 2018  
**LOCATION:** CWA House, 1176 Hay Street, West Perth WA 6005  
**TIME:** 9:30am (AWST)

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 9:30am AWST on Sunday, 27 May 2018.

**BUSINESS**

The business to be transacted at this Annual General Meeting is the receipt of the financial statements and reports and the proposal of Resolutions 1 to 8 as set out below.

**Financial Statements and Reports**

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2017 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Independent Auditor's report.

**RESOLUTION 1 ~ ADOPTION OF REMUNERATION REPORT (NON-BINDING)**

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the director's report in the annual report for the financial year ended 31 December 2017".*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting prohibition:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (**the voter**) described above may vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution ; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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**RESOLUTION 2 ~ RE-ELECTION OF MR STUART CARMICHAEL AS DIRECTOR**

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

*"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Stuart Carmichael, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

**RESOLUTION 3 ~ RE-ELECTION OF MR ANDREAS KROELL AS DIRECTOR**

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

*"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Andreas Kroell, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

**RESOLUTION 4 ~ RATIFICATION OF PRIOR ISSUES OF SECURITIES**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,807,200 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by or on behalf of a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**RESOLUTION 5 ~ RATIFICATION OF PRIOR ISSUES OF SECURITIES**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 620,120 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by or on behalf of a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

NOTICE OF ANNUAL GENERAL MEETING

**RESOLUTION 6 ~ RATIFICATION OF PRIOR ISSUES OF SECURITIES**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 9,433,962 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by or on behalf of a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**RESOLUTION 7 ~ RATIFICATION OF PRIOR ISSUES OF SECURITIES**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,250,000 unlisted options over shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by or on behalf of a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**RESOLUTION 8 ~ APPROVAL OF 10% PLACEMENT CAPACITY – SHARES**

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

*"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**BRETT TUCKER**  
**COMPANY SECRETARY**

**BY ORDER OF THE BOARD**  
**DE.MEM LIMITED**

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 9:30AM (AWST) at CWA House, 1176 Hay Street, West Perth, Western Australia on 29 May 2018.

This Explanatory Statement is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed.

### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

In accordance with amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at <http://www.demembranes.com/>.

### 2. RESOLUTION 1 ~ ADOPTION OF REMUNERATION REPORT (NON-BINDING)

#### General

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution that the Remuneration Report as set out in the Directors' Report of the annual financial report of the Company for the financial year ending 2017 be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the year ending 31 December 2017.

The chair of the meeting must allow a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

In accordance with the Corporations Act, if at least 25% of the votes cast on the Resolution are voted **against** adoption of the Remuneration Report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting, if at the first of those annual general meetings a Spill Resolution was not put to a vote.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors who were in office when the Directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

### Proxy restrictions

Shareholders appointing a proxy for this Resolution should note the following:

<b>Proxy</b>	<b>Directions given</b>	<b>No directions given</b>
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

### **Notes:**

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

### **3. RESOLUTION 2 ~ RE-ELECTION OF MR STUART CARMICHAEL AS A DIRECTOR**

Clause 14.2 of the Constitution of the Company requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Mr Carmichael has served as a director since 12 September 2016 and was last re-elected on 24 May 2017. Accordingly, Mr Carmichael retires by rotation and seeks re-election.

A biography for Mr Carmichael is set out below.

Mr Carmichael is a Chartered Accountant with over 20 years of experience in the provision of corporate advisory services both within Australia and internationally. Mr Carmichael is the Non-Executive Chairman of Schrole Group Limited (ASX:SCL), the Non-Executive Chairman of Serpentine Technologies Limited (ASX:SR3), a Non-Executive Director of ClearVue Technologies Limited and principal and director of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialises in the provision of corporate and financial advice to small cap ASX listed companies including capital raisings, initial public offerings, corporate restructures and mergers and acquisitions. Mr Carmichael graduated from the University of Western Australia with a Bachelor of Commerce degree in 1995, gaining experience with KPMG Corporate Finance in Perth and London before joining ASX listed property services and engineering company UGL Limited. If elected the Board considers Mr Carmichael will be an independent director.

If elected the board considers Mr Carmichael will be an independent director.

The Board supports the re-election of Mr Carmichael and recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

The Chairman intends to exercise all available proxies in favour of Resolution 2.

### 4. RESOLUTION 3 ~ RE-ELECTION OF MR ANDREAS KROELL AS A DIRECTOR

Clause 14.2 of the Constitution of the Company requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Mr Kroell has served as a director since 12 September 2016. Accordingly, Mr Kroell retires by rotation and seeks re-election.

A biography for Mr Kroell is set out below.

Mr. Kroell has been the director and CFO of De.mem Singapore since the company was established and was appointed as the Chief Executive Officer in 2016. Prior to that, Mr. Kroell has been involved in the venture capital and finance industries in Germany and Singapore since 2000. Mr. Kroell has led investments and held board seats in numerous companies within the water, environmental, industrial and other technology related sectors and has managed over 20 venture capital investments throughout his career, including a number of exits by trade sale and initial public offerings. Andreas Kroell has worked with several portfolio companies in management and financial roles. If elected the board considers Mr Kroell will be an independent director.

The Board (excluding Mr Kroell) recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

### 5. RESOLUTIONS 4 AND 5 ~ RATIFICATION OF PRIOR ISSUE OF SECURITIES

As announced on 14 September 2017, the Company has signed a binding share purchase agreement to acquire 100% in the issued share capital of Akwa-Worx Pty Ltd and Akwa Facility Maintenance Pty Ltd (together **Akwa-Worx**) from Lynalimack Pty Ltd (**Vendor**)(**Acquisition**).

In consideration for the Acquisition, the Company agreed to pay:

- (a) AUD \$1,500,000 in cash plus AUD \$460,000 in Shares (**Completion Shares**), to be provided on completion and subject to any post-completion difference in actual equity value at completion against the agreed target equity value of Akwa-Worx; and
- (b) deferred consideration of up to AUD\$375,000 and AUD\$375,000 in Shares (**Milestone Shares**), payable if prescribed revenue hurdles are satisfied as at 31 December 2017 and 31 December 2018 (**Milestone Payment**).

On 18 September 2017, the Company issued 1,807,200 Completion Shares to the Vendor. Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

On 20 February 2018, the Company paid cash of \$125,000 and issued 620,120 Milestone Shares to the Vendor upon Akwa Worx achieving revenue of over \$3.5 million for the six-month period ended 31 December 2017.

## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

### General

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that when a company in general meeting ratifies the previous issue made pursuant to the ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying these previous issues, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

### Resolution 4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) 1,807,200 Shares were issued;
- (b) the Shares were issued at a deemed issue price of \$0.255 per Share in partial consideration for the acquisition of 100% of the issued capital of the Akwa Worx companies;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to the Vendor, who is not a related party of the Company; and
- (e) no funds were raised from this issue.

### Resolution 5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:



## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

- (a) 620,120 Shares were issued;
- (b) the Shares were issued at a deemed issue price of \$0.20155 per Share consideration for the acquisition of the issued capital of the Akwa Worx companies upon satisfaction of Milestone 1 of the Akwa Worx acquisition agreement;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to the Vendor, who is not a related party of the Company; and
- (e) no funds were raised from this issue.

### **6. RESOLUTION 6 ~ RATIFICATION OF PRIOR ISSUE OF SECURITIES**

On 14 November 2017, the Company issued 9,433,962 Shares at an issue price of \$0.265 per Share to raise \$2,500,000 (**Placement**).

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 5 above.

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) 9,433,962 Shares were issued;
- (b) the issue price was \$0.265 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to clients of Alto Capital Pty Ltd, each of whom is not a related party of the Company; and
- (e) the funds raised from this issue were used for to accelerate technology development and growth opportunities in Australia and international markets.

### **7. RESOLUTION 7 ~ RATIFICATION OF PRIOR ISSUE OF SECURITIES**

On 11 September 2017, the Company issued 1,250,000 Options in consideration for advisory services provided by Alto Capital Pty Ltd in relation to the Placement.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 5 above.

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 7:

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

- (a) 1,250,000 Options were issued;
- (b) the Options were issued for nil cash consideration in satisfaction of advisory services provided by Alto Capital Pty Ltd;
- (c) the Options will be issued on the terms and conditions set out in Schedule 1;
- (d) the Options were issued to Alto Capital Pty Ltd, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for advisory services provided by Alto Capital Pty Ltd.

**8. RESOLUTION 8 ~ APPROVAL OF 10% PLACEMENT CAPACITY– SHARES**

ASX Listing Rule 7.1A provides that an Eligible Entity (defined below) may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1 (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 8, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 7.1 below).

The effect of Resolution 8 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 8 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

**7.1 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

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

**(Eligible Entity).**

The Company currently has on issue 107,668,974 Shares and the last recorded closing price of the Shares on 16 April 2018 was 20.5 cents. The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$22,072,140.

## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

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

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$1. (A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- A. plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - B. plus the number of partly paid shares that became fully paid in the previous 12 months;
  - C. plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
  - D. less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### **7.2 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 8:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 7.2(a)(i) the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

### (10% Placement Capacity Period)

#### (c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the economic and dilution effect that an issue of the 10% Placement Capacity will have on existing Shareholders, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 16 April 2018.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	10.25 cents 50% decrease in Issue Price	20.5 cents Issue Price	30.75 cents 100% increase in Issue Price
<b>107,668,974</b>	<b>Shares issued</b>	10,766,897	10,766,897	10,766,897
<b>(Current)</b>	<b>Funds raised</b>	\$1,103,607	\$2,207,214	\$3,310,821
<b>50% increase in current</b>	<b>Shares issued</b>	16,150,346	16,150,346	16,150,346
<b>161,503,461</b>	<b>Funds raised</b>	\$1,655,410	\$3,310,821	\$4,966,231
<b>100% increase in current</b>	<b>Shares issued</b>	21,533,794	21,533,94	21,533,794
<b>215,337,948</b>	<b>Funds raised</b>	\$2,207,214	\$4,414,428	\$6,621,642

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

#### The table above uses the following assumptions:

- There are currently 107,668,974 Shares on issue as at the date of this Notice of Meeting.
- The issue price set out above is the closing price of the Shares on the ASX on 16 April 2018.
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.

## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

4. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercisable into Shares before the date of issue of the Equity Securities.
5. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

### **(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use any funds raised towards the continued development of the Company's nanofiltration membrane technology, sales & marketing expenses, general operational expenses and working capital.
- (ii) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

### **(e) Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

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

- (i) the purpose of the issue;

## **EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

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

Further, if the Company is successful in acquiring new projects, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new projects, assets or investments.

### **(f) Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A on 24 May 2017.

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 29 May 2017, the Company otherwise issued a total of 11,861,282 Shares and 1,250,000 Options which represents approximately 12.53% of the total diluted number of Equity Securities on issue in the Company on 29 May 2017, which was 104,607,692.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

## **Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 8.

The Board recommends that Shareholders vote in favour of Resolution 8.

Resolution 8 is a special resolution.

## **9. ENQUIRIES**

Shareholders are required to contact the Company Secretary on (+61 8) 9482 0555 if they have any queries in respect of the matters set out on these documents.

## EXPLANATORY MEMORANDUM TO SHAREHOLDERS

### 10. GLOSSARY

**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in Section 7 of the Explanatory Statement.

**Annual General Meeting** means the meeting convened by the Notice of Meeting.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means De.mem Limited (ABN 12 614 756 642).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Eligible Entity** means the meaning given to it within Section 7 of the Explanatory Statement.

**Equity Securities** means a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**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..

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

**Officer** means any Director of the Company or such other person within the meaning of that term as defined by the Corporations Act.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2017.

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

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

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

**Variable A** means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

**WST** means Western Standard Time as observed in Perth, Western Australia.



EXPLANATORY MEMORANDUM TO SHAREHOLDERS

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**SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS**

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**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on 11 September 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

**(i) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**(k) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(l) Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

**SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 29 MAY 2017**

<b>Date</b>	<b>Quantity</b>	<b>Class</b>	<b>Recipients</b>	<b>Issue price and discount to Market Price (if applicable)<sup>1</sup></b>	<b>Form of consideration</b>
Issue – 11 September 2017 Appendix 3B – 11 September 2017	1,250,000	Unquoted Options <sup>3</sup>	Alto Capital Pty Ltd	No issue price (non-cash consideration)	Non-cash Consideration: issued in consideration for advisory services provided pursuant to a lead manager agreement. Current value <sup>5</sup> = \$125,000
Issue – 18 September 2017 Appendix 3B – 18 September 2017	1,807,200	Shares <sup>2</sup>	Lynalimack Pty Ltd	No issue price (non-cash consideration)	Non-cash Consideration: Issued as partial consideration for the acquisition of the entire issued capital of Akwa Workx Pty Ltd, as announced to the ASX on 14 September 2017 Current value <sup>5</sup> = \$370,476
Issue – 14 November 2017 Appendix 3B – 14 November 2017	9,433,962	Shares <sup>2</sup>	Professional and sophisticated investors who took part in a placement conducted by the Company	\$0.265 per Share (being a discount of 15.87%)	Cash Amount raised = \$2,500,000 Amount spent = \$900,000 Use of funds: costs of the placement, payment to vendor of Akwa Worx Pty Ltd, to accelerate technology development, pursue growth opportunities in Australia and international markets and working capital Amount remaining = \$1,600,000 Proposed use of remaining funds <sup>4</sup> : Working capital, technology development and pursue further growth opportunities
Issue – 20 February 2017 Appendix 3B – 20 February 2017	620,120	Shares <sup>2</sup>	Lynalimack Pty Ltd	No issue price (non-cash consideration)	Non-cash Consideration: Issued as deferred consideration for the acquisition of the issued capital of the Akwa Worx companies upon satisfaction of Milestone 1 of the Akwa Worx acquisition agreement.

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

					Current value <sup>5</sup> = \$127,125
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**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: DEM (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.30 each, on or before 11 September 2020. The full terms and conditions are disclosed in Schedule 1 of this Notice of Meeting.
4. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
5. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.205) on the ASX on 16 April 2018. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

# PROXY FORM

**DE.MEM LIMITED**

ACN 614 756 642

## All correspondence to:

De.mem Limited

PO Box 902, West Perth WA 6872

Phone: 08 9482 0550

I/We

\_\_\_\_\_  
(insert name of holder – please print)

Of

\_\_\_\_\_  
(insert address of holder – please print)

## Appointment of Proxy

I/We being member/s of De.mem Limited and entitled to attend and vote hereby appoint

The Chairman  
of the Meeting  
(mark with an  
'X')

**OR**

Write here the name of the person  
you are appointing if this person **is  
someone other than** the Chairman  
of the Meeting

or failing the person named, or if no person is named, the Chairman of the Meeting or a nominee of the Chairman, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of De.mem Limited to be held at CWA House, 1176 Hay Street, West Perth, Western Australia on Tuesday, 29 May 2018 at 9:30am (AWST) and at any adjournment of that meeting.

## 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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**Important:** The Chair of the Meeting intends to vote all undirected proxies in favour of all Resolutions. If the Chair of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions even if those Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## Voting directions to your proxy - please mark

## X to indicate your directions

### Ordinary business

		For	Against	Abstain*
<b>Resolution 1</b>	Approval of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2</b>	Re-election of Mr Stuart Carmichael as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b>	Re-election of Mr Andreas Kroell as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4</b>	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5</b>	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 6</b>	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 7</b>	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 8</b>	Approval of 10% Placement Capacity – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If no directions are given my proxy may vote as the proxy thinks fit or may abstain.** \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

## PLEASE SIGN HERE

**This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.**

### Individual or Securityholder 1

Sole Director and Sole Company Secretary

### Securityholder 2

Director

### Securityholder 3

Director/Company Secretary

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Contact Daytime Telephone

\_\_\_\_\_  
Date

## **Instructions for Completing 'Appointment of Proxy' Form**

### **1. Your Name and Address**

This is your name and address as it appears on the Company's share register. If this information is incorrect, please Contact the Share register on **1300 554 474 (toll free)**. Security holders 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 security holder of the Company.

### **3. Votes on Items of Business**

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities 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 securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may, subject to the comments below, vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- (a) if proxy holders vote, they must cast **all** directed proxies as directed; and
- (b) any directed proxies which are **not** voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

#### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

#### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

### **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, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

## 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 security holders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the 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) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

## 6. Attending the Meeting

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

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

### Lodgement 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 scheduled for 9:30am (AWST) on Tuesday, 29 May 2018. Any Proxy Form received after that time (9:30am (AWST) 27 May 2018) will not be valid for the scheduled Meeting.

### Documents may be lodged:

**By email**

btucker@ventnorcapital.com

**By mail -**

De.mem Limited

PO Box 902

West Perth WA 6872

**or in person -**

Ground Floor, 16 Ord Street

West Perth WA 6005