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# WANGLE TECHNOLOGIES LIMITED

ACN 096 870 978

## NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 11:00 AM (WST)  
**DATE:** 30 November 2018  
**PLACE:** Suite 9, 330 Churchill Avenue  
Subiaco WA 6008

*The business of the Meeting affects your shareholding and your vote is important.*

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

*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 Shareholders at 11:00 AM (WST) on 28 November 2018.*

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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 contained in the Company's annual financial report for the financial year ended 30 June 2018."*

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

**Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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 cast a 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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#### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR MATHEW DONALD WALKER

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 13.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Mathew Donald Walker, a Director who was appointed on 9 July 2018, retires, and being eligible, is elected as a Director."*

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JONATHON MARK WILD

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 13.2 of the Constitution and for all other purposes, Mr Jonathon Mark Wild, a Director, retires, and being eligible, is re-elected as a Director."*

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**5. RESOLUTION 4 – CHANGE OF COMPANY NAME**

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

*“That, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to **“Family Insights Group Limited.”**”*

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**6. RESOLUTION 5 – ISSUE OF SHARES AS CONSIDERATION FOR ACQUISITION OF FRUGL GROUP LIMITED**

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 7.1 and for all other purposes, approval is given for the Company to issue up to 2,000,000,000 Shares to the FGL Shareholders (or their nominees) as consideration for the Acquisition 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 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.

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**7. RESOLUTION 6 – PLACEMENT – SHARES**

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 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$900,000 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 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.

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**8. RESOLUTION 7 – ADOPTION OF INCENTIVE OPTION PLAN**

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 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Option Plan and for the issue of securities under that Option Plan, 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 any Director except one who is ineligible to participate in any employee

incentive scheme in relation to the Company, or any associates of those Directors. 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
    - (i) a member of the Key Management Personnel; 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 this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
  - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**9. RESOLUTION 8 – ISSUE OF OPTIONS TO MR SEAN PAUL SMITH**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Options to Mr Sean Paul Smith (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Smith (or his nominee) or any of their associates. 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
    - (i) a member of the Key Management Personnel; 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 this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
  - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**10. RESOLUTION 9 – ISSUE OF OPTIONS TO MR JONATHON MARK WILD**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 75,000,000 Options to Mr Jonathan Mark Wild (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Wild (or his nominee) or any of their associates. 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (c) the proxy is either:
    - (iii) a member of the Key Management Personnel; or
    - (iv) a Closely Related Party of such a member; and
  - (d) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (c) the proxy is the Chair; and
  - (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**11. RESOLUTION 10 – ISSUE OF SHORTFALL SECURITIES TO RELATED PARTY – MR MATHEW DONALD WALKER**

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 10.11 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Shares and 100,000,000 Options to Mr Mathew Walker (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Mathew Walker (and his nominee) or any of their associates. 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.

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**12. RESOLUTION 11 – ISSUE OF SHORTFALL SECURITIES TO RELATED PARTY – MR JONATHON MARK WILD**

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 10.11 and for all other purposes, approval is given for the Company to issue up to 23,000,000 Shares and 23,000,000 Options to Mr Jonathon Wild (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Jonathon Wild (and his nominee) or any of their associates. 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.

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**13. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and, if thought fit, to pass 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 Shares on issue, at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and 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.

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**14. RESOLUTION 13 – APPOINTMENT OF AUDITOR**

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

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, Pitcher Partners BA&A Pty Ltd (ABN 27 009 093 378), having been nominated by a shareholder and consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting.”*

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**Dated: 29 October 2018**

**By order of the Board**

**Loren King**  
**Company Secretary**

## **Voting in person**

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

## **Voting by proxy**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6489 1600.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at:

<http://www.wangletechnologies.com/>

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of 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 a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) 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 of the company is approved will be the directors of the company.

### **2.3 Previous voting results**

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.

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## **3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR MATHEW DONALD WALKER**

### **3.1 General**

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 the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Mathew Donald Walker, having been appointed by other Directors on 9 July 2018, in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **3.2 Qualifications and other material directorships**

#### ***Mr Mathew Donald Walker***

Mr Walker is a businessman and entrepreneur with extensive experience in the management of public and private companies, corporate governance and in the provision of corporate advice. In a management career spanning three decades, Mr Walker has served as executive Chairman or Managing Director for public companies with operations in North America, South America, Africa, Eastern Europe, Australia and Asia.

Mr Walker is the co-founder and Chairman of the Cicero Group – a boutique corporate advisory and administration firm with offices in Perth, Sydney and Singapore – and the former Chairman of Yojee Limited (ASX: YOJ). He is also a director of Corizon Limited (ASX: CIZ) and co-founder and director of the Stone Axe Pastoral Company.

### **3.3 Independence**

If elected the Board considers Mr Mathew Walker will be an independent director.

### **3.4 Board recommendation**

The Board supports the election of Mr Mathew Walker and recommends that Shareholders vote in favour of Resolution 2.

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#### **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JONATHON MARK WILD**

Clause 13.2 of the Constitution provides that:

- (a) 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 (rounded upwards in case of doubt), 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;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:
  - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.2 of the Constitution; and/ or
  - (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company currently has three Directors and accordingly one must retire.

Mr Jonathon Wild, the director longest in office since his last election, retires by rotation and seeks re-election.

The profile of Mr Wild is detailed in the Director's Report of the Company's annual financial report for the year ended 30 June 2018. This is available upon the Company's website <http://www.wangletechnologies.com/>.

The Board has considered Mr Wild's independence and considers that he is an independent Director.

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#### **5. RESOLUTION 4 – CHANGE OF COMPANY NAME**

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 4 seeks the approval of Shareholders for the Company to change its name to "Family Insights Group Limited".

If Resolution 4 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 4 is passed, the Company will lodge a copy of the special resolution with ASIC following the Annual General Meeting in order to effect the change.

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## 6. RESOLUTION 5 – ISSUE OF SHARES AS CONSIDERATION FOR ACQUISITION OF FRUGL GROUP LIMITED

### 6.1 General

Resolution 5 seeks Shareholder approval for the issue of up to 2,000,000,000 Shares (**Consideration Shares**) in consideration for the acquisition of 100% of the issued capital of Frugl Group Limited (**FGL**) (**Acquisition**). A summary of the Acquisition is provided in Section 6.5 below.

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.

The effect of Resolution 5 will be to allow the Company to issue the Consideration Shares to the shareholders of FGL (**FGL Shareholders**) pursuant to the Acquisition during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### 6.2 Overview of the Acquisition and Frugl Group Limited

As announced to ASX on 29 October 2018, the Company has entered into an agreement (**Acquisition Agreement**) with the majority shareholders of FGL (**Majority FGL Shareholders**) to acquire 100% of the issued capital of FGL. The key terms of the Acquisition Agreement are summarised in Section 6.5.

FGL's business is a grocery price and data comparison platform ([www.frugl.com.au](http://www.frugl.com.au)) with advanced analytics capabilities that collect and process behavioural shopper data, in real time, across any device. FGL provides shoppers with up-to-date products, promotions and pricing information to find the lowest price each week across Australia's leading supermarkets.

In addition to product data, FGL collects behavioural data in relation to shopper habits, such as price elasticity across retail categories, as well as monitoring customer repurchase frequencies and loyalty patterns. FGL's products are then able to provide retailers and suppliers with real-time information in relation to shoppers' purchase intent, spend and shopping habits.

The historical business model for FGL involves collecting revenue from retail and supplier organisations for the provision of product and category price movement data.

Additional revenue opportunities yet to be realised incorporate the collation and analysis of real-time shopper behavioural data, and the provision of deep customer behavioural insights able to be commercialised via commercial research products, consumer behaviour indexes, advertiser audience provision and other analytical products. Utilising these commercial product offerings, FGL believes that it will be able to generate a significant recurring revenue stream.

### 6.3 Benefits of the Acquisition

The Company's principal activities are made up of two products, 'Family Insights' and 'Wangle VPN' (**Existing Products**). The Company wishes to acquire FGL's technology and products (**FGL Products**) as an additional and complementary business unit.

Both of the companies have developed a software platform that gathers online behavioural data across multiple device types, processes it in the cloud in real

time, and returns advanced analytics based on the data gathered for commercialisation purposes.

The Board believes that the Acquisition will deliver the following key benefits:

#### ***Enhancement of Existing Products***

Whilst the Existing Products and FGL Products utilise the above technology for different applications, the Board believes that there are clear synergies between the Company's and FGL's technology offerings. The Company can integrate FGL's advanced behavioural data analytics applications into its Existing Product offerings to enhance the Existing Products for the Company's customers by increasing the level and sophistication of behavioural data collected, and improving the analytical methods which are currently utilised.

#### ***Enhancement of FGL Products***

The Company believes that it has the technical and commercial expertise which, when combined with the funding which the Company would be able to provide, would add significant value to FGL's existing platform and business model. This may be achieved through enhancement of the FGL Products using the Company's existing technology, and providing FGL with the ability to pursue the additional revenue streams noted in Section 6.2 above.

#### ***Economies of scale***

The Acquisition will offer additional organisational benefits from a staffing, expertise and resourcing level, with cost savings able to be realised by the utilisation of shared resources across technology development and operations, marketing, administration and management.

### **6.4 Board intentions upon completion of the Acquisition**

Upon completion of the Acquisition, the Board intends:

- (a) to continue to continue its main undertaking of the Existing Products;
- (b) to add the FGL Products to the Company's business as an additional business unit;
- (c) to allocate funds for the development of the Existing Products and the FGL Products;
- (d) to integrate FGL's advanced behavioural data analytics applications into its Existing Product offering to produce enhanced internet usage, patterns and behavioural analysis;
- (e) to use the technology of the Existing Products and the FGL Products to improve the algorithms and commercial outcomes on each of the platforms;
- (f) to share operating costs of the Existing Products and FGL Products and take advantage of synergies and economies of scale; and
- (g) to maintain the current composition of the Board or the management of the Company.

It is anticipated that the Company will have cash reserves of approximately \$3,167,410 upon completion of the Acquisition, the Placement (subject to the passing of Resolution 6) and the participation by Mr Wild and Mr Walker in the Shortfall Placement (subject to the passing of Resolutions 10 and 11).

It is proposed that the Company's cash reserves will be applied in the next 12 months as follows:

| Item  | Amount           |
|---|------------------|
| Estimated costs of the Acquisition                | 130,082          |
| Expenditure on the Existing Products <sup>1</sup> | 1,957,129        |
| Expenditure on FGL Products                       | 465,638          |
| Working capital and corporate administration      | 614,561          |
| <b>TOTAL</b>                                      | <b>3,167,410</b> |

**Notes:**

1. Expenditure forecast includes offset of expected R&D rebates.

The above table is a statement of current intentions as at the date of this letter. Intervening events may alter the way funds are ultimately applied by the Company.

## 6.5 Summary of proposed acquisition of Frugl Group Limited

The material terms of the Acquisition Agreement are as follows:

- (a) **(Conditions precedent):** Settlement of the Acquisition is conditional upon the satisfaction (or waiver if permitted) of the following conditions within six months of execution of the Acquisition Agreement (or such later date as agreed in writing between the parties to the Acquisition Agreement):
- (i) the Company completing legal and technical due diligence on FGL's business and operations to its satisfaction within 30 days of the execution of the Acquisition Agreement;
  - (ii) the Company seeking to undertake a capital raising and receiving valid applications for at least \$900,000 worth of Shares under a placement to sophisticated and professional investors;
  - (iii) the Company obtaining all necessary Shareholder, regulatory and third party approvals pursuant to the Corporations Act, ASX Listing Rules and any other law to allow it to complete the Acquisition and the Placement;
  - (iv) the Company obtaining a waiver under the ASX Listing Rules to enable the Company to issue the Consideration Shares to the FGL Shareholders outside of the period of 3 months following the Annual General Meeting; and
  - (v) all of the FGL Shareholders (other than the Majority FGL Shareholders) accepting offers for their respective shares in FGL.
- (b) **(Consideration):** In consideration for the Acquisition, the Company shall:
- (i) pay to FGL a cash payment of \$10,000 within two Business Days of execution of the Acquisition Agreement; and
  - (ii) issue the Consideration Shares to the FGL Shareholders in proportion to their respective interests in FGL upon the satisfaction of certain milestones as follows:

- (A) 500,000,000 Shares to be issued upon FGL achieving cumulative audited revenue of \$1,000,000 by 30 June 2021;
- (B) 500,000,000 Shares to be issued upon FGL achieving cumulative audited revenue of \$2,000,000 by 30 June 2021;
- (C) 500,000,000 Shares to be issued upon FGL achieving cumulative audited revenue of \$6,000,000 by 30 June 2022; and
- (D) 500,000,000 Shares to be issued upon FGL achieving cumulative audited revenue of \$10,000,000 by 30 June 2022.

If the relevant milestone is not achieved by the respective date provided above, the obligation to issue the corresponding Consideration Shares shall lapse.

The Acquisition Agreement otherwise contains clauses typical for agreements of this nature, including exclusivity, confidentiality, pre-completion covenants, representations and warranties.

## 6.6 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) the maximum number of Shares to be issued is 2,000,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on up to four separate dates, upon the satisfaction of the four milestones as set out in Section 6.5(b) above;
- (c) the Shares will be issued for nil cash consideration in consideration for the acquisition of 100% of the issued capital of FGL;
- (d) the Shares will be issued to the FGL Shareholders, none of whom are related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue of the Consideration Shares as the Shares are being issued in consideration for the acquisition of 100% of the shares in FGL.

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## 7. RESOLUTION 6 – PLACEMENT – SHARES

### 7.1 General

Resolution 6 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$900,000 (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in section 6.1 above.

The effect of Resolution 7 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

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

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$900,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be not less than 80% of the volume weighted average price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) the Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement toward the development and commercialisation of the Frugl technology, general working capital and the expenses of the offers under the Placement.

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## **8. RESOLUTION 7 – ADOPTION OF INCENTIVE OPTION PLAN**

Resolution 7 seeks Shareholder approval for the adoption of the employee incentive scheme titled Incentive Option Plan (**Option Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

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

If Resolution 7 is passed, the Company will be able to issue Options under the Option Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

No Options have previously been issued under the Option Plan.

The objective of the Option Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Option Plan and

the future issue of Options under the Option Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

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

A summary of the key terms and conditions of the Option Plan is set out in Schedule 1. In addition, a copy of the Option Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Option Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

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## **9. RESOLUTIONS 8 AND 9 – ISSUE OF OPTIONS TO DIRECTORS**

### **9.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 175,000,000 Options (**Related Party Options**) to Mr Sean Smith and Mr Jonathon Wild (or their nominees) (**Related Parties**) and on the terms and conditions set out below.

Resolution 8 seeks Shareholder approval for the grant of the Related Party Options to Mr Smith (or his nominee).

Resolution 9 seeks Shareholder approval for the grant of the Related Party Options to Mr Wild (or his nominee).

### **9.2 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that 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 Related Party Options constitutes giving a financial benefit and Messrs Smith and Wild are related parties of the Company by virtue of being Directors.

The Directors (other than Messrs Smith and Wild who have a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

### **9.3 ASX Listing Rule 10.11**

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

#### **9.4 Technical Information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 8 and 9:

- (a) the related parties are Mr Sean Smith and Mr Jonathon Wild and they are related parties by virtue of being Directors;
- (a) the maximum number of Related Party Options to be granted to the Related Parties is 175,000,000 Related Party Options comprising:
  - (iii) 100,000,000 Related Party Options to Mr Sean Smith (Resolution 8); and
  - (iv) 75,000,000 Related Party Options to Mr Jonathon Wild (Resolution 9);
- (b) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (d) the terms and conditions of the Related Party Options are set out in Schedule 2.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options to Mr Smith and Mr Wild (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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## **10. RESOLUTIONS 10 AND 11 – ISSUE OF SHORTFALL SECURITIES TO RELATED PARTIES**

### **10.1 General**

As announced to ASX on 26 July 2018, the Company is seeking Shareholder approval at the Annual General Meeting for the participation by Directors Mathew Walker and Jonathon Wild in the placement of shortfall securities relating to the Company's entitlement issue that was announced on 11 May 2018 (**Entitlement Issue**) (**Shortfall Placement**).

Pursuant to Resolution 10 the Company is seeking Shareholder approval for the issue of up to 100,000,000 Shares to Mr Walker at an issue price of \$0.003 per Share, together with one free attaching Option for every Share issued, to raise up to \$300,000.

Pursuant to Resolution 11 the Company is seeking Shareholder approval for the issue of up to 23,000,000 Shares to Mr Wild at an issue price of \$0.003 per Share, together with one free attaching Option for every Share issued, to raise up to \$69,000.

## 10.2 Chapter 2E of the Corporations Act

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 participation by Mr Walker and Mr Wild in the Shortfall Placement (**Participation**) will result in the issue of Shares and Options which constitutes giving a financial benefit and Mr Walker and Mr Wild are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Walker and Mr Wild who have a material personal interest in the Resolutions 10 and 11 respectively) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to Mr Walker and Mr Wild on the same terms as Shares and Options issued to non-related party participants in the Entitlement Issue and as such the giving of the financial benefit is on arm's length terms.

## 10.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Participation involves the issue of Shares and Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

## 10.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares and Options will be issued to Mr Mathew Walker (pursuant to Resolution 10) and Mr Jonathon Wild (pursuant to Resolution 11) (or their nominees);
- (b) the maximum number of Shares and Options to be issued is:
  - (i) 100,000,000 Shares and 100,000,000 Options to Mr Walker; and
  - (ii) 23,000,000 Shares and 23,000,000 Options to Mr Wild;
- (c) the Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.003 per Share, being the same as all other Shares issued under the Entitlement Issue;

- (e) the Options will be issued for nil cash consideration on the basis of one *Option for every one Share issued*;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Options will be issued on the terms set out in Schedule 2; and
- (h) the funds raised will be used for the same purposes as all other funds raised under the Entitlement Issue, being:
  - (i) maintaining the current business of the Company;
  - (ii) ongoing development of technology;
  - (iii) marketing of Wangle technology;
  - (iv) repayment of debt;
  - (v) working capital; and
  - (vi) expenses of the Entitlement Issue.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares and Options to Mr Walker and Mr Wild (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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## **11. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT CAPACITY**

### **11.1 General**

ASX Listing Rule 7.1A provides that an Eligible Entity 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 (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 12, 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 11.2).

The effect of Resolution 12 will be to allow the Company 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 12 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 12 for it to be passed.

### **11.2 ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A 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.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation (undiluted) of approximately \$4,155,777, based on the number of Shares on issue and the last trading price of Shares on ASX both as at 15 October 2018.

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

If Shareholders approve Resolution 12, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

### **11.3 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 12:

#### **(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 11.3(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) the date that is 12 months after the date of this Meeting; and
- (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),

#### **(10% Placement Capacity Period).**

For the avoidance of doubt, approval granted under Resolution 12 will cease to be valid in the event that shareholders approve a transaction under ASX Listing Rule 11.1.2 or rule 11.2.

(c) **Risk of economic and 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 12 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 dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice subject to the assumptions listed under the table.

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<br>(Variable 'A' in ASX Listing Rule 7.1A2)* | Dilution                   |  |                        |  |
|--|----------------------------|--|------------------------|--|
|  | Issue Price<br>(per Share) | \$0.001<br>50% decrease in Issue Price | \$0.002<br>Issue Price | \$0.003<br>50% increase in Issue Price |
| 2,077,888,336<br>(Current Variable A)                                  | 10% voting dilution        | 207,788,834<br>Shares                  | 207,788,834<br>Shares  | 207,788,834<br>Shares                  |
|  | <b>Funds raised</b>        | <b>\$207,789</b>                       | <b>\$415,578</b>       | <b>\$623,367</b>                       |
| 3,116,832,504<br>(50% increase in Variable A)                          | 10% voting dilution        | 311,683,250<br>Shares                  | 311,683,250<br>Shares  | 311,683,250<br>Shares                  |
|  | <b>Funds raised</b>        | <b>\$311,683</b>                       | <b>\$623,367</b>       | <b>\$935,050</b>                       |
| 4,155,776,672<br>(100% increase in Variable A)                         | 10% voting dilution        | 415,577,667<br>Shares                  | 415,577,667<br>Shares  | 415,577,667<br>Shares                  |
|  | <b>Funds raised</b>        | <b>\$415,578</b>                       | <b>\$831,155</b>       | <b>\$1,246,733</b>                     |

\* 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:**

1. The current shares on issue are the Shares on issue as at 15 October 2018.
2. The issue price set out above is the closing price of the Shares on the ASX on 15 October 2018 (the last trading day prior to suspension).
3. 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 as 10%.
4. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
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 issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
7. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
8. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10%

Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

9. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that the risk of economic and voting dilution of existing Shareholders that may result from an issue of Equity Securities under Listing Rule 7.1A.2, including 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) non-cash consideration for the acquisition of the new resources, 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; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

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

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

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

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

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, 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 at its annual general meeting held on 28 November 2017 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 28 November 2017 (**Period**), the Company issued 75,000,000 Fully Paid Ordinary Shares and 35,000,000 Options pursuant to the Previous Approval and a further 2,135,888,336 Equity Securities (comprising 1,077,444,168 Shares and 1,058,444,168 Options) with Shareholder approval. The Company also lapsed 176,034,867 Options which expired during the Period. Cumulatively, these equity issues represent approximately 199.89% of the total diluted number of Equity Securities on issue in the Company on 28 November 2017, which was 1,035,479,035.

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 3.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give ASX:

- (i) A list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) The information required by Listing Rule 3.10.5A for release to the market.

## 11.4 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 12.

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## 12. RESOLUTION 13 – APPOINTMENT OF AUDITOR

### 12.1 General

On 24 May 2018, the Company's current auditor, Pitcher Partners Corporate & Audit (WA) Pty Ltd gave notice of its intention to resign as auditor of the Company to ASIC (under section 329(5) of the Corporations Act).

ASIC consent for the resignation was received and Pitcher Partners Corporate & Audit (WA) Pty Ltd resigned effective 30 May 2018. After receiving a consent to act, the Board moved to appoint Pitcher Partners BA&A Pty Ltd with effect from 30 May 2018.

The reason for the change was due to an internal restructure within Pitcher Partners.

Pursuant to sections 327B and 327C of the Corporations Act, the appointment of the Company's auditor is required to be put before the members of the Company where the Directors have made an appointment during the year.

If Resolution 13 is passed, Pitcher Partners BA&A Pty Ltd will continue in its position as the Company's auditor.

## **12.2 Director's recommendation**

The Board recommends Shareholders vote in favour of Resolution 13.

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## GLOSSARY

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**10% Placement Capacity** has the meaning given in Section 11.1.

**\$** means Australian dollars.

**Acquisition** means the proposed acquisition of 100% of the issued capital of FGL.

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

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

**Associated Body Corporate** means:

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**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.

**Chair** means the chair of the Meeting.

**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) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Wangle Technologies Limited (ACN 096 870 978).

**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 an entity that, at the date of the relevant 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.

**Entitlement Issue** means the entitlement issue announced by the Company on 11 May 2018.

**Equity Securities** includes 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.

**FGL** means Frugl Group Limited (ACN 167 770 425).

**FGL Shareholders** means the shareholders of FGL.

**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** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Option Plan** means the incentive option plan the subject of Resolution 7 as summarised in Schedule 1.

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

**Proxy Form** means the proxy form accompanying the Notice.

**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 30 June 2016.

**Related Parties** has the meaning given in Section 9.1

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

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

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

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

**Shortfall Placement** means the placement of shortfall securities under the Entitlement Issue.

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

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

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## SCHEDULE 1 - TERMS OF INCENTIVE OPTION PLAN

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The principle terms of the Incentive Option Plan (**Option Plan**) are summarised below:

- (d) **Eligibility:** Participants in the Option Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
  - (ii) a full or part time employee of any Group Company;
  - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
  - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Options under the Option Plan (**Eligible Participants**).
- (e) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for up to a specified number of Options, upon the terms set out in the Option Plan and upon such additional terms and conditions as the Board determines.
- (f) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (g) **Issue price:** Unless the Options are quoted on the ASX, Options issued under the Option Plan will be issued for no more than nominal cash consideration.
- (h) **Vesting Conditions:** An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option (**Vesting Conditions**).
- (i) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Options have been granted under the Option Plan or their nominee where the Options have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Options due to:
- (i) special circumstances arising in relation to a Relevant Person in respect of those Options, being:
    - (A) a Relevant Person ceasing to be an Eligible Participant due to:
      - (I) death or total or permanent disability of a Relevant Person; or

- (II) retirement or redundancy of a Relevant Person;
    - (B) a Relevant Person suffering severe financial hardship;
    - (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
    - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,
  - (Special Circumstances), or
  - (ii) a change of control occurring; or
  - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (j) **Lapse of an Option:** An Option will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Option occurring;
  - (ii) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
  - (iii) in respect of unvested Option only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Option in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant;
  - (iv) in respect of vested Options only, a Relevant Person ceases to be an Eligible Participant and the Options granted in respect of that Relevant Person are not exercised within one (1) month (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
  - (v) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
  - (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option; and
  - (vii) the expiry date of the Option.
- (k) **Not transferrable:** Subject to the ASX Listing Rules, Options are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

- (l) **Shares:** Shares resulting from the exercise of the Options shall, subject to any Sale Restrictions (refer to paragraph (m)), from the date of issue, rank on equal terms with all other Shares on issue.
- (m) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Options, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Options (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (n) **Quotation of Shares:** If Shares of the same class as those issued upon exercise of Options issued under the Option Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the disposal of Shares ends. The Company will not apply for quotation of any Options on the ASX.
- (o) **No Participation Rights:** There are no participation rights or entitlements inherent in the Options and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (p) **Change in exercise price or number of underlying securities:** An Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
- (q) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (r) **Amendments:** Subject to express restrictions set out in the Option Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Option Plan, or the terms or conditions of any Option granted under the Option Plan including giving any amendment retrospective effect.

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## SCHEDULE 2 - TERMS 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 \$0.01 (**Exercise Price**).

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2021 (**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

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.

**SCHEDULE 3 - ISSUES OF EQUITY SECURITIES SINCE 28 NOVEMBER 2017**

| Date of Appendix 3B | Number of Equity Securities   | Class of Equity Securities and summary of terms  | Names of recipients or basis on which recipients determined   | Issue price of Equity Securities and discount to Market Price <sup>1</sup> on the trading day prior to the issue | If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds<br><br>If issued for non-cash consideration – a description of the consideration and the current value of the consideration  |
|---------------------|---|--|---|--|---|
| 11-Dec-17           | (a) 100,000,000<br>(b) 50,000,000<br>(c) 10,000,000<br>(d) 21,000,000 | (a) Shares <sup>2</sup><br>(b) Unquoted Options <sup>4</sup><br>(c) Unquoted Options <sup>4</sup><br>(d) Unquoted Options <sup>5</sup> | (a) Professional and sophisticated investors<br>(b) Professional and sophisticated investors<br>(c) Issued to Brokers<br>(d) Issued to Director | (a) \$0.014 (7% discount)<br>(b) Nil<br>(c) \$0.00015<br>(d) \$0.00015   | (a) <b>Amount raised</b> = \$1,400,000<br><b>Amount spent</b> = \$1,400,000<br><b>Use of funds:</b> Funds raised were used to invest in aggressive brand and customer acquisition strategies for Family Insights, in preparation for a focus on domestic distribution partnerships and international expansion in 2018.<br><b>Amount remaining</b> = Nil<br><br>(b) <b>Consideration:</b> Nil - free attaching options to (a)<br><b>Current Value</b> = \$Nil; options have lapsed<br><br>(c) <b>Consideration:</b> Nil - issued in accordance with the terms of the Lead Manager Mandate<br><b>Current Value</b> = \$Nil; options have lapsed<br><br>(d) <b>Consideration:</b> Nil - as approved by Shareholders at the Company's General Meeting held on 28 Nov 2017<br><b>Current Value</b> = \$Nil; options have lapsed |
| 22-Mar-18           | 70,000,000  | Shares <sup>2</sup>  | Professional and sophisticated investors  | \$0.008 (no discount)  | <b>Amount raised</b> = \$560,000<br><b>Amount spent</b> = \$560,000<br><b>Use of funds:</b> Funds raised were used to invest in aggressive brand and customer acquisition strategies for Family Insights, in preparation for a focus on domestic distribution partnerships and international expansion in 2018.<br><b>Amount remaining</b> = Nil  |

| Date of Appendix 3B | Number of Equity Securities        | Class of Equity Securities and summary of terms              | Names of recipients or basis on which recipients determined       | Issue price of Equity Securities and discount to Market Price <sup>1</sup> on the trading day prior to the issue | If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds<br><br>If issued for non-cash consideration – a description of the consideration and the current value of the consideration  |
|---------------------|------------------------------------|--|---|--|---|
| 11-May-18           | (a) 5,000,000<br>(b) 35,000,000    | (a) Shares <sup>2</sup><br>(b) Unquoted Options <sup>4</sup> | (a) Dr Neale Fong<br>(b) Professional and sophisticated investors | (a) \$0.006<br>(no discount)<br>(b) Nil  | (a) <b>Consideration:</b> Nil - issued pursuant to the terms of a consultancy agreement entered into between the Company and Dr Neale Fong as announced on 13 February 2018.<br><b>Current Value = \$10,000<sup>7</sup></b><br>(b) <b>Consideration:</b> Nil - cash consideration. Free attaching (on a 1 for 2 basis) to the Shares subscribed for in the Company's 22 March 2018 placement.<br><b>Current Value = \$Nil;</b> options have lapsed  |
| 22-Jun-18           | (a) 251,793,198<br>(b) 251,793,198 | (a) Shares <sup>2</sup><br>(b) Unquoted Options <sup>6</sup> | Existing shareholders, Professional and sophisticated investors   | (a) \$0.003<br>(no discount)<br>(b) Nil  | (a) <b>Amount raised = \$755,380</b><br><b>Amount spent = \$755,380</b><br><b>Use of funds:</b> To fund expenditure on maintaining Wangle's existing business, ongoing development of technology, marketing of Wangle technology, repayment of debt, general working capital and the expenses of the offers under the Prospectus.<br><b>Amount remaining = Nil</b><br>(b) <b>Consideration:</b> Nil - free attaching options to (a)<br><b>Current Value = \$292,063<sup>7</sup></b>           |
| 26-Jul-18           | (a) 725,650,970<br>(b) 725,650,970 | (a) Shares <sup>2</sup><br>(b) Unquoted Options <sup>6</sup> | Existing shareholders, Professional and sophisticated investors   | (a) \$0.003<br>(no discount)<br>(b) Nil  | (a) <b>Amount raised = \$2,176,953</b><br><b>Amount spent = \$1,305,891</b><br><b>Use of funds:</b> To fund expenditure on maintaining Wangle's existing business, ongoing development of technology, marketing of Wangle technology, repayment of debt, general working capital and the expenses of the offers under the Prospectus.<br><b>Amount remaining = \$871,062</b><br>(b) <b>Consideration:</b> Nil - free attaching options to (a)<br><b>Current Value = \$818,547<sup>7</sup></b> |

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: WGL (terms are set out in the Constitution).

3. 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.

4. Unquoted Options, exercisable at \$0.025 on or before 31 August 2018 (these options have since lapsed).
5. Unquoted Options, exercisable at \$0.10 on or before 31 August 2018 (these options have since lapsed).
6. Unquoted Options, exercisable at \$0.01 on or before 30 June 2021.

7. In respect of quoted Equity Securities the value is based on the closing price of the Shares on the ASX on 15 October 2018 of \$0.002. In respect of unquoted Equity Securities the value of Options has been determined using the Black Scholes Model as it is considered to provide the most appropriate value for unlisted options in the Company. 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).

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## SCHEDULE 4 – NOMINATION OF AUDITOR LETTER

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19 October 2018

Mrs Loren Anne King  
Company Secretary  
Wangle Technologies Limited  
Suite 9, 330 Churchill Avenue  
Subiaco WA 6008

Dear Mrs King,

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Mr Ian Prentice being a member of Wangle Technologies Limited hereby nominate Pitcher Partners BA&A Pty Ltd as auditor of the company at the Annual General Meeting to be held on 28 November 2018.



**Ian Prentice**  
Shareholder