

ShareRoot Limited
Level 5, 126 Phillip Street
Sydney NSW 2000
ACN: 063 144 865

www.shareroot.co

ShareRoot

ShareRoot Limited

Notice of Extraordinary General Meeting

Explanatory Statement | Proxy Form

30 January 2019

11:00AM AEDT

Address

Automic
Level 5
126 Phillip Street
Sydney NSW 2000

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.

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Venue and Voting Information

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am AEDT on 30 January 2019 at Automic, Level 5, 126 Phillip Street, Sydney NSW 2000.

Your vote is important

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

Voting in person

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

Voting by proxy

To vote by proxy, please use one of the following methods:

1. Lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsah> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form.
2. Complete and sign the enclosed Proxy Form and return the form:
 - (a) by post to:
Automic, GPO Box 5193, Sydney NSW 2001; or
 - (b) by hand to:
Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
 - (c) by fax to: (02) 8583 3040

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting.
Proxy Forms received later than this time will be invalid.

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of ShareRoot Limited (ACN 063 144 865) will be held at 11:00am AEDT on 30 January 2019 at Automic, Level 5, 126 Phillip Street, Sydney NSW 2000 (**Meeting**).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement and the Proxy Form form 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 Extraordinary General Meeting are those who are registered Shareholders at 11:00am AEDT on 28 January 2019. Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Resolutions

1. Resolution 1 – Consolidation of Capital

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

“That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that;

- a) every thirty (30) Shares be consolidated into one (1) Share; and*
- b) every thirty (30) Options be consolidated into one (1) Option,*

and, where the Consolidation results in a fraction of a Share or Option being held, the Company be authorised to round that fraction up or down to the nearest whole Share or Option, with a fraction of 0.5 to be rounded up, with the consolidation taking effect on a date to be announced to the ASX in accordance with the requirements of the Listing Rules”

2. Resolution 2 – Ratification of prior issue of equity securities

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify 55,904,561 shares (calculated on a pre-consolidation basis) for the purposes and on the terms and conditions set out in the Explanatory Statement accompanying the Notice.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- (a) a person who participated in the issue and received the Placement Shares; or
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) 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.

3. Resolution 3 – Ratification of prior issue of equity securities

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

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify 133,595,438 shares (calculated on a pre-consolidation basis) for the purposes and on the terms and conditions set out in the Explanatory Statement accompanying the Notice.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who participated in the issue and received the Placement Shares; or
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

4. Resolution 4 - Approval of the future issue of Securities

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve the issue of up to 235,000,000 unlisted options (calculated on a pre-consolidation basis) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or 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 entity); or
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

5. Resolution 5 - Approval of the future issue of Securities

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve the issue of 25,000,000 unlisted options (calculated on a pre-consolidation basis) to Sanlam Private Wealth Ltd on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting”

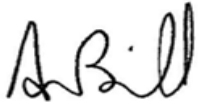
Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) Sanlam Private Wealth Pty Ltd; or
- (b) an Associate of Sanlam Private Wealth Pty Ltd.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair 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.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'A. Bursill', written in a cursive style.

Andrew Bursill
Company Secretary
ShareRoot Limited

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 11:00am AEDT on 30 January 2019 at Automic, Level 5, 126 Phillip Street, Sydney NSW 2000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Extraordinary General Meeting are set out below.

Resolutions

Resolution 1 – Consolidation of Capital

This Resolution seeks Shareholder approval to consolidate the total number of existing Securities on issue in the event that all the Resolutions under this Notice of Meeting are passed by Shareholders, on a three (3) for one (1) basis (**Consolidation**). The Consolidation is proposed by the Company to reduce the number of Shares on issue and to increase the price per Share in the manner described below.

A summary of the effect of the Consolidation on the Company's capital structure as at the date of this Notice is as follows:

Table 1 – Effect of Consolidation

Existing Securities	Current number	Post-Consolidation (subject to rounding)
Existing Shares	1,569,454,374	52,315,146
Existing Options	321,619,101	10,720,637
Total Options subject to Resolution 4*	235,000,000	7,833,333
Total Options subject to Resolution 5*	25,000,000	833,333
Total	2,151,073,475	71,702,449

Effect of Resolution to Shareholders

As the Consolidation applies equally to all Shareholders of the Company (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each existing Shareholder in the Company.

Theoretically, the market price of each Share following the Consolidation should increase by 30 times its current value. Practically, the actual effect on the market price of each Share will be dependent upon a number of factors which will not be within the control of the Company. Therefore, this may result in the market price of each Share following Consolidation being higher or lower than the theoretical post-Consolidation price.

Effect of Resolution to Optionholders

The effect of the Consolidation is to reduce the number of Options on issue at the commencement of meeting from 321,619,101 to 52,315,146 (subject to rounding) as well as increasing the exercise price of each Option by

an inverse proportion to the Consolidation ratio.

The Options subject to shareholder approval under Resolutions 4 and 5 will be issued on Wednesday 30 January 2019, prior to the consolidation of Company's share capital proposed under Resolution 1. Should Resolution 1 be passed at this meeting of shareholders, the effect of the Consolidation will be to reduce the number of Options issued under Resolutions 4 and 5 from 260,000,000 to 8,666,666 (subject to rounding) as well as increasing the exercise price of each Option by an inverse proportion to the Consolidation ratio.

Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

The Consolidation also affects Options in the same ratio, as the terms of the Options require all rights of the Optionholder to be changed in a manner consistent with the Corporations Act at the time of the reconstruction.

Fractional Entitlements

Not all Securityholders of the Company will hold a number of Shares or Options (as the case may be) that can be evenly divided by the Consolidation ratio. Where a fractional entitlement occurs, the Company will round that fraction up or down (as the case may be) to the nearest whole Security, with a fraction of 0.5 to be rounded up.

Holding Statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to Securityholders. It is the responsibility of each and every affected Securityholder to check the number of Securities held prior to disposal or exercise (as the case may be).

Indicative Timetable*

Resolution 1, if approved, will take effect on 31 January 2019 and the Consolidation

Action	Date
Extraordinary General Meeting	Wednesday, 30 January 2019
Effective Date of resolution to approve Consolidation	Wednesday, 30 January 2019
Last day for trading in pre-Consolidation securities	Thursday, 31 January 2019
Trading on a deferred settlement basis starts	Friday, 1 February 2019
Last day for Company to register transfers on a pre-Consolidation basis	Monday, 4 February 2019
Registration of securities on post-Consolidation basis	Tuesday, 5 February 2019
First day for the Company to send notice of post-Consolidation holdings to each Securityholder	Tuesday, 5 February 2019
Trading on a deferred settlement basis ends	Wednesday, 13 February 2019
Despatch date – completion of despatch of post-Consolidation notices	Wednesday, 13 February 2019
Normal trading commences	Thursday, 14 February 2019

*Please note that the dates are indicative only and may be subject to change without further notice to Shareholders of the Company.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

Resolution 2 and 3 – Ratification of prior issue of equity securities issued in accordance with ASX listing rule 7.1 and 7.1A

The Company undertook a capital raise in November 2018 and December 2018 raising \$700,500 through the issue of 233,499,999 shares at an issue price of \$0.003 (Capital Raise). Shareholder approval is being sought to ratify 99,904,561 shares issued under ASX Listing Rule 7.1, with 55,904,561 shares issued on 29 November 2018 and 44,000,000 shares issued on 10 December 2018 and 133,595,438 shares issued on 29 November 2018 under ASX Listing Rule 7.1A (Placement Shares)

ASX Listing Rule 7.1

ASX Listing Rule 7.1 restricts listed companies in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed company cannot, in any 12 month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (15% limit), unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of their issued capital through placements over a 12-month period after the date of an annual general meeting of Shareholders at which the Shareholders approved by special resolution the issue of securities under ASX Listing Rule 7.1A. This 10% placement capacity is in addition to the Company's 15% limit under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 provides that where holders of ordinary securities approve a previous issue of securities made without approval under ASX Listing Rule 7.1, and provided that the previous issue of securities did not breach ASX Listing Rule 7.1, those securities shall be deemed to have been issued with Shareholder approval for the purpose of ASX Listing Rule 7.1.

Shareholder approval is now sought for the issues of securities set out below, pursuant to ASX Listing Rule 7.4, to partially reinstate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1 and an additional 10% of its ordinary issued capital under ASX Listing Rule 7.1A, if required, over a 12 month period without seeking further Shareholder approval.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Company issued 233,499,999 Placement Shares, being 99,904,561 under ASXLR 7.1 (Resolution 2) and 133,595,438 under ASXLR 7.1A (Resolution 3) .
- (b) Each of the Placement Shares were issued at \$0.003 per Placement Share.
- (c) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement Shares were issued to 12 clients of Sanlam Private Wealth Pty Ltd who were institutional and other sophisticated investors.
- (e) Funds raised from the issue of the Placement Shares have been and will be used by the Company to further progress commercialising its platform technology in the market and grow its revenue base.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2 and 3.

Resolution 4 – Approval of the future issue of securities

Resolution 4 seeks approval by Shareholders for the issue of Unlisted Options to those shareholders that participated in the Capital Raise for the purposes of ASX Listing rule 7.1. The holders of Placement Shares will be issued one option for each share purchased under the Capital Raise. The number of options to be issued shall be 235,000,000.

The Unlisted Options will expire at 5.00pm on 29 January 2024 ("Expiry Date") and are exercisable in whole or in part at any time on or prior to the Expiry Date by notice in writing delivered to the Company accompanied by payment of the Exercise Price. The Exercise Price at the time of issue will be A\$0.008 per share. All Shares issued upon exercise of the Unlisted Options will rank *pari passu* in all respects with the Company's then existing ordinary fully paid shares.

These options will be issued on Wednesday 30 January 2019, prior to the consolidation of Company's share capital proposed under Resolution 1. Should Resolution 1 be passed at this meeting of shareholders, the effect of the Consolidation will be to reduce the number of Options issued under Resolution 4 from 235,000,000 to 7,833,333 (subject to rounding) as well as increasing the exercise price of each Option by an inverse proportion to the Consolidation ratio (from \$0.008 per option to \$0.24 per option)

Full terms and conditions of the options are as set out on Annexure A on page 15.

Listing Rule 7.1 requires a company that wishes to issue more than 15% of its securities in any 12 month period to obtain Shareholder approval by way of ordinary resolution (unless the issue is exempted under Listing Rule 7.2).

The effect of approving Resolution 4 is that the Company will be able to issue the Unlisted Options without the Unlisted Options being included when calculating the thresholds restricting the issue of securities under Listing Rule 7.1.

Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3.

- (a) The Company will issue 235,000,000 options with an expiry date of 29 January 2024 and an exercise price of A\$0.008 per option (prior to the consolidation contemplated under Resolution 1).
- (b) The options will be issued on 30 January 2019, prior to the consolidation of the Company's share capital contemplated under Resolution 1
- (c) The options were agreed to be issued by the Company, subject to shareholder approval, for no additional consideration for each share that was issued by the Company on 29 November 2018 and 10 December 2018
- (d) The options will be issued to all parties who participated in the Company's share placements on 29 November 2018 and 10 December 2018 as outlined in Resolution 3
- (e) Any funds raised from the exercise of the options will be used to supplement the Company's working capital requirements and to further progress commercialising its platform technology in the market and grow its revenue base

Directors' Recommendation

The Board of Directors recommend Shareholders vote in favour of Resolution 4.

Resolution 5 – Approval of the future issue of securities

Resolution 5 seeks approval by Shareholders for the issue of Unlisted Options to Sanlam Private Wealth Pty Ltd (Sanlam) as part of the fee payable to Sanlam for their services in the Capital Raise, for the purposes of ASX Listing rule 7.1. The number of options to be issued shall be 25,000,000.

The Unlisted Options will expire at 5.00pm on 28 February 2020 (“Expiry Date”) and are exercisable in whole or in part at any time on or prior to the Expiry Date by notice in writing delivered to the Company accompanied by payment of the Exercise Price. The Exercise Price at the time of issue will be A\$0.008 per share. All Shares issued upon exercise of the Unlisted Options will rank *pari passu* in all respects with the Company’s then existing ordinary fully paid shares.

These options will be issued on Wednesday 30 January 2019, prior to the consolidation of Company’s share capital proposed under Resolution 1. Should Resolution 1 be passed at this meeting of shareholders, the effect of the Consolidation will be to reduce the number of Options issued under Resolution 5 from 25,000,000 to 833,333 (subject to rounding) as well as increasing the exercise price of each Option by an inverse proportion to the Consolidation ratio. (from \$0.008 per option to \$0.24 per option)

Full terms and conditions of the options are as set out in Annexure B on page 18.

Listing Rule 7.1 requires a company that wishes to issue more than 15% of its securities in any 12 month period to obtain Shareholder approval by way of ordinary resolution (unless the issue is exempted under Listing Rule 7.2).

The effect of approving Resolution 5 is that the Company will be able to issue the Unlisted Options without the Unlisted Options being included when calculating the thresholds restricting the issue of securities under Listing Rule 7.1.

Information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3.

- (a) The Company will issue 25,000,000 options with an expiry date of 28 February 2020 and an exercise price of A\$0.008 per option, prior to the consolidation of the Company’s share capital contemplated under Resolution 1.
- (b) The options will be issued on 30 January 2019, prior to the consolidation of the Company’s share capital contemplated under Resolution 1
- (c) Unlisted Options to Sanlam Private Wealth Pty Ltd (Sanlam) for no cash consideration but as part of the fee payable to Sanlam for their services in the placement of the Company’s shares that occurred on 29 November 2018 and 10 December 2018
- (d) Any funds raised from the exercise of the options will be used to supplement the Company’s working capital requirements and to further progress commercialising its platform technology in the market and grow its revenue base

Directors’ Recommendation

The Board of Directors recommend Shareholders vote in favour of Resolution 5.

Enquiries

Shareholders are asked to contact the Company’s Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) if they have any queries in respect of the matters set out in these documents.

Glossary

AEDT means Australian Eastern Daylight Time, Sydney, New South Wales.

ShareRoot Group means ShareRoot and its controlled entities.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules means the Listing Rules of ASX.

Board means the Board of Directors of the Company as constituted from time to time.

Business Day has the meaning given to that term in ASX Listing Rule 19.12.

Closely Related Parties, in relation to a member of KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with ShareRoot (or the ShareRoot Group), and any company the member controls.

Company or **ShareRoot** means ShareRoot Limited (ABN 71 063 144 865).

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the Directors of the Company.

Documents means each of the Notice, Explanatory Statement and the Proxy Form and all other documents that accompany each other when sent to each Shareholder.

Explanatory Statement means the explanatory statement accompanying the Notice.

Extraordinary General Meeting, EGM or Meeting means the meeting convened by the Notice.

Key Management Personnel or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of ShareRoot or the ShareRoot Group, whether directly or indirectly. Members of the KMP include Directors and certain senior executives.

Notice means the notice of Meeting that accompanies and forms part of the Documents.

Option means an option, if exercised in accordance with its terms, to acquire one Share in the Company.

Ordinary Resolution means a resolution passed by more than 50 per cent of the votes at a general meeting of Shareholders.

Resolutions means the resolutions set out in the Notice, 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.

Share Registry means Automic Pty Ltd

Special Resolution means a resolution passed by at least 75 per cent of the votes at a general meeting of Shareholders.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average price of trading in Shares on the ASX market and the Chi-X market over a specified period, excluding block trades, large portfolio trades, permitted trades during the pre-trading hours period, permitted trades during the post-trading hours period, out of hours trades and exchange traded option exercises.

Interpretation

In these Documents, unless the context requires otherwise:

- (a) a reference to a word includes the singular and the plural of the word and vice versa;
- (b) a reference to a gender includes any gender;
- (c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;
- (d) a term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate, a joint venture or a governmental agency;
- (e) headings are included for convenience only and do not affect interpretation;
- (f) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) a reference to a thing includes a part of that thing and includes but is not limited to a right;
- (h) the terms “included”, “including” and similar expressions when introducing a list of items do not exclude a reference to other items of the same class or genus;
- (i) a reference to a statute or statutory provision includes but is not limited to:
 - (i) a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
 - (ii) a statute or statutory provision which has been amended, extended, consolidated or replaced by the statute or statutory provision; and
 - (iii) subordinate legislation made under the statute or statutory provision including but not limited to an order, regulation, or instrument;
- (j) reference to “\$”, “A\$”, “Australian Dollars” or “dollars” is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia; and
- (k) a reference to an asset includes all property or title of any nature including but not limited to a business, a right, a revenue and a benefit, whether beneficial, legal or otherwise.

ANNEXURE A

Options – Terms and Conditions

1. Entitlement

Each Option (together **Options**) entitles the holder to subscribe for and be issued one fully paid ordinary share (**Share**) in the capital of ShareRoot Limited (**Company**) upon exercise of each Option. The date of issue of that Option will hereafter be referred to as the **Issue Date**.

2. Exercise Price and Expiry Date

- (a) The Exercise Price of the Options is \$0.008 each (noting that the Exercise Price will increase to \$0.24 per option upon the implementation of the 30 to 1 consolidation under Resolution 1 of the meeting of shareholders held on 30 January 2018)
- (b) The Expiry Date of the Options is the earlier to occur of five (5) years after their date of issue and 30 days after a Change in Control Event.

3. Exercise Period and Vesting Date

- (a) Subject to the Change of Control provisions below, each Option is exercisable at any time after the latter of the date of grant of the Option and the vesting date (if applicable) and before the Expiry Date.
- (b) Notwithstanding that the Expiry Date has not occurred, each Option that has not already vested as outlined above will expire on that date which is the earlier of the date the Option holder ceases to be employed, engaged as a consultant or appointed as an executive Director of the Company because of:
 - (i) if the holder is an employee, the date the holder is dismissed from employment with the Company for gross misconduct;
 - (ii) if the holder is a consultant, the date the holder's appointment is terminated for gross misconduct;
 - (iii) if the holder is a Director, the date the holder is disqualified from holding the office of Director;
 - (iv) retirement;
 - (v) voluntary cessation; or
 - (vi) by mutual agreement (unless the Board resolves otherwise),and thereafter no party has any claim against any other party arising under or in respect of any Option.
- (c) If a Change in Control Event occurs in respect of the Company, all Options that have been issued but have not yet vested, will immediately thereupon vest.
- (d) A **Change in Control Event** means:
 - (i) the occurrence of:
 - (A) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more in number of the Shares; and
 - (B) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
 - (ii) the announcement by the Company that:

- (A) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party; and
- (B) the Court, by order, approves the proposed scheme of arrangement.

4. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt by the Company of that Notice of Exercise.

5. Shares issued on exercise

Shares issued on exercise of the Options rank equally with all other issued Shares.

6. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued promptly after the exercise of the Options.

7. Timing of issue of Shares

Within fifteen Business Days after the later to occur of:

- (a) Receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company (each an Exercised Option) where the Company is not in possession of any excluded information (as defined in section 708A(7) of the Corporations Act) (Excluded Information); and
- (b) The date upon which the Company ceases to be in possession of Excluded Information in respect to the Company following the receipt of the Notice of Exercise and payment of the Exercise Price for each Exercised Option being exercised by the Company,
- (c) The Company will:
 - (i) Issue the Shares pursuant to the exercise of the Exercised Options;
 - (ii) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
 - (iii) Apply for official quotation on ASX of Shares issued pursuant to the exercise of the Exercised Options.

8. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) in order to give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9. Pro-rata Issues

If there is a pro rata issue (except a bonus issue), then at the time of the pro rata issue (except a bonus issue), the exercise price of an Option may be reduced according to the following formula:

$$O^n = O - E \frac{P - (S + D)}{N + 1}$$

$N + 1$

Where:

O^n = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying securities into which one Option is exercisable;

P = the average market price per security (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex-right date or the ex-entitlements date;

S = the subscription price for a security under the pro rata issue;

D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

Otherwise the exercise price of the Option shall remain unchanged.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other Securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) The number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received as if the Option holder had exercised the Option before the record date for the bonus issue; and
- (b) No change will be made to the Exercise Price.

11. Adjustment organisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. Quotation of Options

- (a) No application for official quotation of the Options will be made by the Company; and
- (b) The Company shall apply for the listing of the resultant shares of the Company issued upon exercise of any Option.

13. Options Transferable

The Options are transferable provided that the transfer of Options complies with section 707(3) of the Corporations Act.

14. Lodgment Instructions

Cheques payable in respect of the exercise of any right attaching to an Option shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of Options with the appropriate remittance should be lodged at the Company's registry.

ANNEXURE B

Options – Terms and Conditions

1. Entitlement

Each Option (together **Options**) entitles the holder to subscribe for and be issued one fully paid ordinary share (**Share**) in the capital of ShareRoot Limited (**Company**) upon exercise of each Option. The date of issue of that Option will hereafter be referred to as the **Issue Date**.

2. Exercise Price and Expiry Date

- (c) The Exercise Price of the Options is \$0.008 each (noting that the Exercise Price will increase to \$0.24 per option upon the implementation of the 30 to 1 consolidation under Resolution 1 of the meeting of shareholders held on 30 January 2018)
- (d) The Expiry Date of the Options is the earlier to occur of 28 February 2020 and 30 days after a Change in Control Event.

3. Exercise Period and Vesting Date

- (a) Subject to the Change of Control provisions below, each Option is exercisable at any time after the latter of the date of grant of the Option and the vesting date (if applicable) and before the Expiry Date.
- (b) Notwithstanding that the Expiry Date has not occurred, each Option that has not already vested as outlined above will expire on that date which is the earlier of the date the Option holder ceases to be employed, engaged as a consultant or appointed as an executive Director of the Company because of:
 - (i) if the holder is an employee, the date the holder is dismissed from employment with the Company for gross misconduct;
 - (ii) if the holder is a consultant, the date the holder's appointment is terminated for gross misconduct;
 - (iii) if the holder is a Director, the date the holder is disqualified from holding the office of Director;
 - (iv) retirement;
 - (v) voluntary cessation; or
 - (vi) by mutual agreement (unless the Board resolves otherwise),and thereafter no party has any claim against any other party arising under or in respect of any Option.
- (c) If a Change in Control Event occurs in respect of the Company, all Options that have been issued but have not yet vested, will immediately thereupon vest.
- (d) A **Change in Control Event** means:
 - (vii) the occurrence of:
 - (A) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more in number of the Shares; and
 - (B) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
 - (viii) the announcement by the Company that:

- (C) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (1) cancelled; or
 - (2) transferred to a third party; and
- (D) the Court, by order, approves the proposed scheme of arrangement.

4. Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt by the Company of that Notice of Exercise.

5. Shares issued on exercise

Shares issued on exercise of the Options rank equally with all other issued Shares.

6. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued promptly after the exercise of the Options.

7. Timing of issue of Shares

Within fifteen Business Days after the later to occur of:

- (d) Receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company (each an Exercised Option) where the Company is not in possession of any excluded information (as defined in section 708A(7) of the Corporations Act) (Excluded Information); and
- (e) The date upon which the Company ceases to be in possession of Excluded Information in respect to the Company following the receipt of the Notice of Exercise and payment of the Exercise Price for each Exercised Option being exercised by the Company,
- (f) The Company will:
 - (ix) Issue the Shares pursuant to the exercise of the Exercised Options;
 - (x) Give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
 - (xi) Apply for official quotation on ASX of Shares issued pursuant to the exercise of the Exercised Options.

8. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the holders of the Options will be afforded the minimum period of notice prescribed under the Listing Rules prior to and inclusive of the books closing date (to determine entitlements to the issue) in order to give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

9. Pro-rata Issues

If there is a pro rata issue (except a bonus issue), then at the time of the pro rata issue (except a bonus issue), the exercise price of an Option may be reduced according to the following formula:

$$O^n = O - E \frac{[P - (S + D)]}{N + 1}$$

$N + 1$

Where:

O^n = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying securities into which one Option is exercisable;

P = the average market price per security (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex-right date or the ex-entitlements date;

S = the subscription price for a security under the pro rata issue;

D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

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Otherwise the exercise price of the Option shall remain unchanged.

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If the Company makes a bonus issue of Shares or other Securities to existing shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (c) The number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received as if the Option holder had exercised the Option before the record date for the bonus issue; and
- (d) No change will be made to the Exercise Price.

11. Adjustment organisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

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- (a) No application for official quotation of the Options will be made by the Company; and
- (b) The Company shall apply for the listing of the resultant shares of the Company issued upon exercise of any Option.

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Cheques payable in respect of the exercise of any right attaching to an Option shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of Options with the appropriate remittance should be lodged at the Company's registry.

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

Sample

Holder Number:

Vote by Proxy: SRO

Your proxy voting instruction must be received by **11.00am (AEDT) on Monday, 28 January 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

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

VOTING UNDER STEP 1 - APPOINTING A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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






ATTENDING THE MEETING

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

POWER OF ATTORNEY

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



Contact	Return your completed form  BY MAIL: Automic GPO Box 5193 Sydney NSW 2001	 IN PERSON: Automic Level 5, 126 Phillip Street Sydney NSW 2000	Contact us – All enquiries to Automic  WEBCHAT: https://automic.com.au/  EMAIL: hello@automic.com.au  PHONE: 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)
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STEP 1: Appoint Your Proxy	Complete and return this form as instructed only if you do not vote online I/We being a Shareholder entitled to attend and vote at the Extraordinary General Meeting of ShareRoot Limited, to be held at 11.00am (AEDT) on Wednesday, 30 January 2019 at Automic Level 5, 126 Phillip Street, Sydney NSW 2000 hereby: Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof. <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
	The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain
	1. Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. Ratification of prior issue of equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. Ratification of prior issue of equity securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. Approval of the future issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5. Approval of the future issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.</i>				

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name:		
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
Email Address:			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
Contact Daytime Telephone			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
Date (DD/MM/YY)			
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			
By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).			