

# **NETLINKZ LIMITED**

**ACN 141 509 426**

## **NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT**

**General Meeting to be held at  
Level 40, 161 Castlereagh Street, Sydney NSW 2000  
on 18 April 2019 at 10.00am (AEST).**

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

## NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of NetLinkz Limited will be held at Level 40, 161 Castlereagh Street, Sydney NSW 2000 on 18 April 2019 at 10.00am (AEST).

### BUSINESS OF THE MEETING

### AGENDA

**1. Resolutions 1A, 1B, 1C, 1D, and 1E – Ratification of prior issue of Securities under Listing Rule 7.1**

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

- 1A** “That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 48,460,031 shares to institutional and sophisticated investors on the terms described in the Explanatory Memorandum be ratified.”
- 1B** “That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 25,000,000 shares to various service providers on the terms described in the Explanatory Memorandum be ratified.”
- 1C** “That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 1,000,000 shares to various service providers on the terms described in the Explanatory Memorandum be ratified.”
- 1D** “That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 8,064,516 shares to a lender on the terms described in the Explanatory Memorandum be ratified.”
- 1E** “That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of 25,000,000 options on the terms described in the Explanatory Memorandum be ratified.”

**Voting exclusion statement**

The Company will disregard any votes cast in favour of each resolutions 1A, 1B, 1C, 1D, and 1E by or on behalf of a person who participated in the relevant issue or an associate of a person who participated in the relevant issue under the relevant resolution.

However, the Company need not disregard any vote if 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 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.

**2. Resolution 2 – Approval for the issue of Shares to Service Provider under a Service Agreement**

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 to Gillis Delaney Lawyers 7,200,000 shares on the terms described in the Explanatory Memorandum.”*

**Voting exclusion statement**

The Company will disregard any votes cast in favour of the resolution by or on behalf of employee, partner or an associate of Gillis Delaney Lawyers. The Company will disregard any votes cast in favour of the resolution by 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 any vote if 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 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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**3. Resolution 3 – Approval of the Issue of Shares to Lender for repayment of Loans**

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval be given to issue 66,428,571 Shares to Reef Investments Pty Ltd in repayment of the Loan and the terms described in the Explanatory Memorandum.”*

**Voting exclusion statement**

The Company will disregard any votes cast in favour of the resolution by or on behalf of Reef Investments Pty Ltd or an associate of Reef Investments Pty Ltd.

However, the Company need not disregard any vote if 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 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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## Explanatory Statement

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

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

### Proxies

Please note that:

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

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

### Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 16 April 2019 at 4:00pm (AEST). Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

### Enquiries

Shareholders may contact the Company on (02) 9285 1300 if they have any queries in respect of the matters set out in these documents.

**Proxy return** (Please refer to the following proxy return instructions on the enclosed proxy form)

**Online:**

At [www.investorvote.com.au](http://www.investorvote.com.au)

**By Mobile:**

Scan the QR Code on your Proxy form and follow the prompts

**By Mail to:**

Computershare Investor Services Pty Ltd  
GPO Box 242  
Melbourne Victoria 3001  
Australia

**By Facsimile Transmission to:**

1800 783 447 (within Australia) or  
+61 3 9473 2555 (outside Australia)

**Custodian Voting**

For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

**By Order of the Board of Directors**

Greg MacMillan  
Company Secretary

Dated 18 March 2019

## Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

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

This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### Item 1 – Ratification of prior issue of Securities (Resolution 1)

Under Resolution 1, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 82,524,547 Shares at an issue price of between \$0.02 and \$0.037 per Share and 25,000,000 options between 18 July 2018 and 20 February 2019 as set out below.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

### Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the prior Issue of Shares:

Details of issue	Number of equity securities issued	Class of equity securities issued	Parties issued equity securities	Issue Price	Use of Funds raised from the issue
<b>Resolution 1A</b>					
Shares – Appendix 3B 16 July 2018	26,168,302	Fully paid ordinary shares	Shares issued to Institutional and sophisticated investors	\$0.031 per share	\$811,217 raised – share placement funds used for working capital.
Shares – Appendix 3B 6 August 2018	22,291,729	Fully paid ordinary shares	Institutional and sophisticated investors	\$0.031 per share	\$691,044 raised – share placement funds used for working capital.
<b>Total</b>	48,460,031				
<b>Resolution 1B</b>					
Shares – Appendix 3B 24 July 2018	10,000,000	Fully paid ordinary shares	Service Provider	\$0.02 per share	\$ Nil cash received - shares issued in payment of services.
Shares – Appendix 3B	15,000,000	Fully paid ordinary shares	Service Provider	\$0.02 per share	\$Nil – raised, shares issued in lieu of payment for services.

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Details of issue	Number of equity securities issued	Class of equity securities issued	Parties issued equity securities	Issue Price	Use of Funds raised from the issue
20 August 2018					
<b>Total</b>	25,000,000				
<b>Resolution 1C</b>					
Shares – Appendix 3B 2 January 2019	1,000,000	Fully paid ordinary shares	Service Provider James Johnson	\$0.03 per share	\$Nil raised - Performance shares issued to service provider
<b>Resolution 1D</b>					
Shares – Appendix 3B 7 August 2018	8,064,516	Fully paid ordinary shares	Creditor Agora Asset Management Pty Ltd	\$0.031	\$Nil cash received - shares issued in lieu of debt repayment.
<b>Resolution 1E</b>					
Options – Appendix 3B 21 December 2018	25,000,000	Options	Option holder Robert Turner	\$0.02 option exercise price, expiry date 21 December 2021	\$Nil raised

**Item 2 – Approval for the issue of Shares to Service Provider under a Service Agreement (Resolution 2)**

**Introduction**

Resolution 2 proposes the allotment and issue of Shares to the value of \$180,000.00 to Gillis Delaney Lawyers for legal services provided to the Company pursuant to a General Retainer dated 1 August 2018 (and not billed to the Company) from 1 August 2018 to 31 March 2019, including corporate counsel advice and acting in for the Company in disputes with contractors.

**ASX Listing Rule 7.1**

The effect of Shareholder approval will be that the Shares issued will not be counted in calculating the number of securities which the Company can issue in the next 12 months under the 15% limit imposed by ASX Listing Rule 7.1.

**Information required under ASX Listing Rules**

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Shares to Gillis Delaney Lawyers:

<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:</b>	7,200,000 fully paid ordinary Shares in the Company
<b>The date by which the entity will issue the securities:</b>	The Shares will be issued on 18 April 2019 and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The issue price will be \$0.026 per Share.

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<b>Terms of the securities:</b>	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
<b>Use (or intended use) of the funds raised:</b>	No funds raised will be raised by the issue of these shares.

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**Item 3 - Approval of the Issue of Shares to Lender for repayment of Loans (Resolution 3)**

**Background**

On 7 March 2018, Reef Investments Pty Ltd (Reef) acquired a loan with a face value of USD\$500,000 plus outstanding establishment fees and accrued interest.

At that time, Reef agreed to convert the debt, establishment fees and interest on the loan outstanding into Shares, on the same basis as other debt was to be converted to shares, the latter debt conversion being subject to shareholder approval. The conversion of the Reef debt to equity was to occur immediately after the meeting approving the other debt conversion had been held.

As a general meeting of NetLinkz held on 6 June 2018, shareholder approval was received for the conversion of the other debt with a conversion price of \$0.014 per Share. For various reasons related to the original provider for the Reef debt, the Reef debt conversion did not occur.

As at 30 November 2018, the principal, establishment fees and interest outstanding was \$930,000 and this amount is to be repaid by the issue of 66,428,571 Shares.

**ASX Listing Rule 7.1**

The effect of Shareholder approval will be that the Shares issued will not be counted in calculating the number of securities which the Company can issue in the next 12 months under the 15% limit imposed by ASX Listing Rule 7.1.

**Information required under ASX Listing Rules**

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Shares to Reef Investments Pty Ltd:

<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:</b>	66,428,571 fully paid ordinary shares in the Company at \$0.014 per share
<b>The date by which the entity will issue the securities:</b>	The shares will be issued on 18 April 2019 and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The issue price will be \$0.014 per share.
<b>Terms of the securities:</b>	Fully paid ordinary Shares of the Company ranking equally with all other ordinary Shares of the Company.
<b>Use (or intended use) of the funds raised:</b>	No funds raised will be raised by the issue of these shares.

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## Glossary

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

<b>General Meeting</b>	the general meeting convened by this Notice of General Meeting.
<b>Associate</b>	a party so described by section 10 – 17 of the Corporations Act.
<b>ASX</b>	ASX Limited ACN 098 624 691 or the securities market operated by it, as the context requires.
<b>Board</b>	Board of Directors.
<b>Chairman</b>	Mr James Tsiolis.
<b>Company</b>	NetLinkz Limited (ACN 141 509 426).
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Director</b>	a director of the Company.
<b>Explanatory Statement</b>	this explanatory statement forming part of the Notice of General Meeting.
<b>Listing Rules</b>	the listing rules of ASX.
<b>Meeting or General Meeting</b>	the general meeting convened by this Notice.
<b>Notice of Notice of General Meeting</b>	the Notice of General Meeting including this Explanatory Statement
<b>Resolution</b>	a resolution set out in this Notice.
<b>Share</b>	a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	a registered holder of at least one Share.