
FAMILY INSIGHTS GROUP LIMITED
(TO BE RENAMED “FRUGL GROUP LIMITED”)
ACN 096 870 978

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 AM

DATE: 16 March 2020

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 10:00 AM on 14 March 2020.

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BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – PLACEMENT OF 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 25,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this 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 any associates of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written communication to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – 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 Frugl Group Limited.”

3. RESOLUTION 3 – ISSUE OF BROKER OPTIONS

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

“That, subject to and conditional upon the passing of all Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Broker Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this 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 any associates of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written communication to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – ISSUE OF RELATED PARTY OPTIONS TO SEAN 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 5,000,000 Related Party Options to Sean 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 Sean Smith (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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.

5. RESOLUTION 5 – ISSUE OF RELATED PARTY OPTIONS TO JONATHAN 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 4,000,000 Related Party Options

to Jonathan 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 Jonathan Wild (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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.

6. RESOLUTION 6 – ISSUE OF OPTIONS TO ALISTAIR MCCALL

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 to Mr Alistair McCall (or his nominee) Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this 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 any associates of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written communication to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 11 February 2020

By order of the Board

**Quinton Meyers
Company Secretary**

Voting in person

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

Voting by proxy

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.

EXPLANATORY STATEMENT

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.

1. RESOLUTION 1 – PLACEMENT OF SHARES

1.1 General

Resolution 1 seeks Shareholder approval for the issue of up to 25,000,000 Shares (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 below.

1.2 ASX Listing Rule 7.1

The Company proposes to issue 25,000,000 Shares to professional and sophisticated investors.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The Placement does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 1 seeks the required shareholder approval to the Placement under and for the purposes of Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to proceed with the Placement and the Company will be able to raise the funds and allocate those funds as set out in Section 1.4. In addition, the Placement will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the Placement and the Company will not be able to advance the purposes set out in Section 1.4, which could delay the Company's business plan.

1.3 Funds raised under Placement

The volume weighted average price for Shares on the 5 days on which sales in Shares were recorded before 29 January 2020 was \$0.052. The lowest issue price (i.e. maximum discount) of not less than 80% of this volume weighted average price would be \$0.042 per Share.

The table below sets out the possible funds that the Company could raise under this Resolution, based on a volume weighted average price of \$0.117, \$0.050 and \$0.052, being the highest and lowest trading prices of the Shares over the past 12 months. To calculate the potential funds that could be raised under this Resolution, discounted figures of \$0.093, \$0.040 and \$0.042, have been used, being an issue price, which is not less than 80% of the volume weighted average prices set out below.

VWAP	VWAP Discount (80% of VWAP)	Funds Raised
\$0.052	\$0.042	\$1,050,000
\$0.117	\$0.093	\$2,325,000
\$0.050	\$0.040	\$1,000,000

1.4 Use of funds

The table below sets out the Company's intended use of funds raised under the Placement assuming that the Company raises \$1,050,000.

	\$	%
Research & Development	\$500,000	47.62%
Advertising & Marketing	\$50,000	4.76%
Expenses of the Placement	\$78,000	7.43%
Working capital	\$422,000	40.19%
Total	\$1,050,000	100%

The above table is a statement of current intentions as of 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 funds are applied on this basis.

The funds allocated to research & development will be used to further the development of the Company's grocery comparison search engine and associated mobile application. The funds allocated to advertising & marketing will be used to promote the launch of the Company's mobile application.

1.5 Dilution

Any issue of Shares under the Placement will dilute the interests of Shareholders who do not receive any Shares under the Placement. Assuming no Options are exercised or other Shares issued and the maximum number of Shares as set out above are issued, the number of Shares on issue would increase from 66,000,000 (being the number of Shares on issue as at the date of this Notice) to 91,000,000 and the shareholding of existing Shareholders would be diluted by 27.47%.

1.6 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 Resolution 1:

- (a) the maximum number of Shares to be issued is 25,000,000;
- (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 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, in conjunction with the Company's brokers and advisors, to which professional and sophisticated investors and other exempt investors who are not be related parties of the Company the Shares will be issued to;
- (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 to advance development and commercialisation of the Company's proprietary technology.

2. RESOLUTION 2 – 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 2 seeks the approval of Shareholders for the Company to change its name to Frugl Group Limited.

If Resolution 2 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

3. RESOLUTION 3 – ISSUE OF BROKER OPTIONS

3.1 General

This Resolution seeks Shareholder approval for the issue of 4,000,000 broker options to sophisticated investors (**Broker Options**) in consideration for their services in facilitating the Placement.

A summary of ASX Listing Rule 7.1 is set out in section 1.2 above.

The effect of this Resolution will be to allow the Company to issue the Broker Options 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.

3.2 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 Broker Options:

- (a) the maximum number of Broker Options to be issued is 4,000,000;
- (b) the Broker Options 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 likely that issue will occur on the same date;
- (c) the Broker Options will be issued for nil cash consideration in satisfaction of their services in facilitating the Placement;
- (d) the Broker Options will be issued to sophisticated investors who are involved in facilitating the Placement and whom are unrelated parties to the Company;

- (e) the Broker Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the Broker Option issue as the Broker Options will be issued in consideration of their services in facilitating the Placement.

4. RESOLUTIONS 4 AND 5 – ISSUE OF RELATED PARTY OPTIONS TO DIRECTORS

4.1 General

In order to appropriately incentivise the continued performance of the Company's key management and Board, the Company proposes, to issue a total of:

- (a) 5,000,000 Related Party Options to Mr Sean Smith (or his nominee) (approval for which is being sought under Resolution 4); and
- (b) 4,000,000 Related Party Options to Mr Jonathon Wild (or his nominee) (approval for which is being sought under Resolution 5).

The issue of the Related Party Options has been proposed in order to appropriately incentivise the continued performance of the relevant Directors and to assist the Company in retaining their services and expertise in a manner which does not unduly impact on the cash reserves of the Company.

The Company had previously sought and obtained Shareholder approval for the issue of related party options at its annual general meeting held on 29 November 2019. However, due to an administrative oversight these related party options were not issued within the required time after the annual general meeting.

Consequently, the Company is seeking Shareholder approval for the issue of Related Party Options.

4.2 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 issue of Related Party Options which 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 Mr Smith who has a material personal interest in the Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Smith, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Wild who has a material personal interest in the Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the agreement to issue the Related Party Options, reached as part of the remuneration package for Mr Wild, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

4.3 ASX Listing Rule 10.11

The Company is proposing to issue the Related Party Options to Messrs Smith and Wild pursuant to Section 4.1 (**Issue**).

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rules 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 4 and 5 seeks the required Shareholder approval to the Issue under and for the purposes of Listing Rule 10.11.

If Resolutions 4 and 5 are passed, the Company will be able to proceed with the Issue and Messrs Smith and Wild will be appropriately incentivised for their continued performance and the Issue will assist the Company in retaining their services and expertise in a manner which does not unduly impact on the cash reserves of the Company.

If Resolutions 4 or 5 are not passed, the Company will not be able to proceed with the Issue and Messrs Smith and Wild will not be issued any Related Party Options.

4.4 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 issue of the Related Party Options:

- (a) the Related Party Options will be issued to Messrs Smith and Wild (or their nominee), who are related parties of the Company by virtue of being Directors;

- (b) the maximum number of Related Party Options to be issued is 9,000,000, comprising of:
- (i) 5,000,000 Related Party Options to Mr Smith (or his nominee) (Resolution 4); and
 - (ii) 4,000,000 Related Party Options to Mr Wild (or his nominee) (Resolution 5).
- (c) the Related Party 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) and it is intended that issue of the Related Party Options will occur on the same date;
- (d) Messrs Smith and Wild's total remuneration packages are as follows:
- | Name | Salary & Fees | Superannuation | Other Benefits |
|----------|---------------|----------------|----------------|
| Mr Smith | \$246,667 | \$23,433 | \$60,000 |
| Mr Wild | \$96,000 | \$0 | \$0 |
- (e) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (f) the terms and conditions of the Related Party Options are set out in Schedule 1.

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 issue of Related Party Options to Messrs Smith and 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.

5. RESOLUTION 6 – ISSUE OF OPTIONS TO ALISTAIR MCCALL

5.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 2,000,000 Options to Alistair McCall (**McCall Options**), to provide a performance linked incentive component in his remuneration package to motivate and reward his performance in his role as the Company's Chief Data Officer.

If approved by Shareholders, the Company will issue the McCall Options in place of the Options that were approved to be issued to Mr McCall at the Company's annual general meeting on 29 November 2019.

A summary of ASX Listing Rule 7.1 is set out in Section 1.2 above.

The effect of Resolution 6 will be to allow the Company to issue the McCall Options 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.

5.2 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 Resolution 6:

- (a) the maximum number of McCall Options to be issued is 2,000,000;
- (b) the McCall Options 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 Options will occur on the same date;
- (c) the McCall Options will be issued for nil cash consideration to provide a performance linked incentive component in Mr McCall's remuneration package;
- (d) the McCall Options will be issued to Mr McCall (or his nominee), who is not a related party of the Company;
- (e) the McCall Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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.

Broker Option means an Option granted pursuant to Resolution 3 with the terms and conditions set out in Schedule 1.

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.

Company means Family Insights Group Limited (to be renamed "Frugl Group 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.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

McCall Option means an Option granted pursuant to Resolution 6 with the terms and conditions set out in Schedule 1.

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.

Proxy Form means the proxy form accompanying the Notice.

Related Party Option means an Option granted pursuant to Resolution 4 or 5 with the terms and conditions set out in Schedule 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.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2022 (**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 Br 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.