XTD LTD ACN 147 799 951

NOTICE OF ANNUAL GENERAL MEETING

TIME: 9:30am (EDST)

DATE: Friday, 6 November 2020

PLACE: Suite 1, 29-33 The Corso

Manly NSW 2095

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 4036

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:30am (EDST) on Friday, 6 November 2020 at:

Suite 1, 29-33 The Corso Manly NSW 2095

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (EDST) on 4 November 2020.

VOTING IN PERSON

To vote in person, attend the Annual General 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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - o the proxy is not recorded as attending the meeting;
 - o the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Voting Prohibition

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolution 1 if the person is either:

- a member of the Key Management Personnel of the Company; or
- a Closely Related Party of such a member, and

the appointment does not specify the way the proxy is to vote on Resolution 1.

However, the prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020."

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

Voting Prohibition Statement:

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

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

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

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

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON BYRNE

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

"That, for the purpose of clause 12.3(b) of the Constitution and for all other purposes, Mr Jason Byrne, a Director, retires by rotation, and being eligible, is reelected as a Director."

3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY – SHARES

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital (at

the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

4. RESOLUTION 4 – APPROVAL TO CHANGE COMPANY NAME

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

"That, pursuant to and in accordance with section 157 of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to "Motio Limited" with effect from the date that ASIC alters the details of the Company's registration."

5. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF SHARES - ADLINE CONSIDERATION

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1 by the Company of 5,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue the subject of this Resolution or any person who is an associate of those persons. However, the Company need not disregard a vote cast in favour of this Resolution if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 PLACEMENT SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1 by the Company of 5,547,911 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue the subject of this Resolution or any person who is an associate of those persons. However, the Company need not disregard a vote cast in favour of this Resolution if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 PLACEMENT SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the issue under Listing Rule 7.1A by the Company of 13,298,607 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue the subject of this Resolution or any person who is an associate of those persons. However, the Company need not disregard a vote cast in favour of this Resolution if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

8. RESOLUTION 8 – ISSUE OF TRANCHE 2 PLACEMENT SHARES & OPTIONS

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, shareholders approve the issue by the Company of up to 11,025,645 fully paid ordinary shares at 3.9 cents per share and 5,512,823 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: 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 an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

9. RESOLUTION 9 - PARTICIPATION OF DIRECTOR IN PLACEMENT - MR ADAM CADWALLADER

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,282,052 Shares and 641,026 Options to Mr Adam Cadwallader (or his nominees) at an issue price of 3.9 cents per share on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Adam Cadwallader or any Associate of Mr Cadwallader 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). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

10. RESOLUTION 10 - PARTICIPATION OF DIRECTOR IN PLACEMENT - MR JASON BYRNE

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,282,052 Shares and 641,026 Options to Mr Jason Byrne (or his nominees) at an issue price of 3.9 cents per share on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Jason Byrne or any Associate of Mr Byrne 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). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

11. RESOLUTION 11 – PARTICIPATION OF DIRECTOR IN PLACEMENT – MR JUSTUS WILDE

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 512,821 Shares and 256,411 Options to Mr Justus Wilde (or his nominees) at an issue price of 3.9 cents per share on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Justus Wilde or any Associate of Mr Wilde 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). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

12. RESOLUTION 12 – ISSUE OF TRANCHE 1 PLACEMENT ATTACHING OPTIONS

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, shareholders approve the issue by the Company of up to 9,423,265 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: 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 an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

13. RESOLUTION 13 – ISSUE OF ADVISOR OPTIONS – TAYLOR COLLISON

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, shareholders approve the issue by the Company of 4,000,000 Options to Taylor Collison Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Taylor Collison (or its nominees), or an associate of those persons, 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). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

14. RESOLUTION 14 - APPROVAL TO ISSUE SECURITIES TO DIRECTOR - MR ADAM CADWALLADER

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Company to 1,041,667 Performance Rights to Adam Cadwallader (or his nominees) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

15. RESOLUTION 15 - ISSUE OF SHARES IN LIEU OF DEBT TO A DIRECTOR - MR ADAM CADWALLADER

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

"That for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 255,372 Shares at a deemed issue price of \$0.035 per Share to Mr Adam Cadwallader (or his nominee), in satisfaction of \$8,938 of unpaid accrued fees on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by Adam Cadwallader, or an associate of that person (or those persons), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair 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.

16. RESOLUTION 16 – ISSUE OF SHARES IN LIEU OF DEBT TO A DIRECTOR – MR JASON BYRNE

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

"That for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 205,715 Shares at a deemed issue price of \$0.035 per Share to Mr Jason Byrne (or his nominee), in satisfaction of \$7,200 of unpaid accrued director fees on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by Jason Byrne, or an associate of that person (or those persons), and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

17. RESOLUTION 17 – ISSUE OF SHARES IN LIEU OF DEBT TO EMPLOYEES

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 341,086 Shares at a deemed issue price of \$0.035 per Share in satisfaction of \$11,938 of unpaid accrued employee fees on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: 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 an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

DATED: 2 OCTOBER 2020

BY ORDER OF THE BOARD

MR MATTHEW FOY COMPANY SECRETARY

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 which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at **www.xtd.tv** or by contacting the Company on (08) 9486 4036.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The Remuneration Report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ended 30 June 2020.

The Chair of the meeting will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (other than the managing director) who were in office at the date of approval of the applicable directors' report (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

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

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

2.3 Previous voting results

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

2.4 Chair voting undirected proxies

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON BYRNE

Clause 12.3 of the Constitution provides that:

- (a) A Director must not hold office without re-election:
 - (i) past the third annual general meeting following the Director's appointment or last election; or
 - (ii) for more than three years,

whichever is the longer.

- (b) There must be an election of Directors at each annual general meeting of the Company. This can be satisfied by one or more of the following so long as the maximum number of Directors set by the Company in general meeting (if applicable) is not exceeded:
 - (a) a person standing for election as a new Director having nominated in accordance with article 12.6;
 - (b) any Director who was appointed under article 12.7 standing for election as a Director;
 - (c) any Director who is retiring at the end of the annual general meeting due to the tenure limitation in article 12.3(a), standing for re-election; or
 - (d) if no person or Director is standing for election or re-election in accordance with paragraphs (a), (b) or (c), then the Director who has been a Director the longest without re-election must retire and stand for re-election. If two or more Directors have been a Director the longest and an equal time without re-election, then in default of agreement, the Director to retire will be determined by ballot.
- (c) This article does not apply to one Managing Director who is exempt from retirement and re-election in accordance with article 13.10.

This article 12.3 only applies while the Company is on the official list of ASX.

The Company has four Directors. Messrs Byrne and Niutta have held office the longest without re-election and by agreement Mr Byrne has agreed to retire by rotation and, being eligible, seeks re-election.

4. RESOLUTION 3 - APPROVAL OF 10% PLACEMENT CAPACITY- SHARES

4.1 General

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 securities it had on issue at the start of that period.

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval by way of a special resolution passes at its annual general meeting to increase this 15% limit by an extra 10% to 25% (10% Placement Capacity).

An 'eligible entity' means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. XTD is an eligible entity for these purposes.

Resolution 3 seeks shareholder approval by way of special resolution for XTD to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of passing Resolution 3 will be to allow the Company to issue Equity Securities up to a combined limit of 25% pursuant to Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 3 is passed the Company will be permitted to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to a maximum of 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 3 for it to be passed.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

4.2 ASX Listing Rule 7.1A Requirements

Pursuant to ASX Listing Rule 7.1A.3 the issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

Equity securities that may be issued under listing rule 7.1A will only be in an existing quoted class of securities.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1 below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the current market price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% against the current market price.

Table 1

	Dilution			
Number of Shares on Issue	Issue Price (per Share)	\$0.023 50% decrease in Issue Price	\$0.045 Current Issue Price	\$0.068 50% increase in Issue Price
156,832,595	10% voting dilution	15,683,259	15,683,259	15,683,259
(Current)		Shares	Shares	Shares
	Funds raised	\$352,873	\$705,747	\$1,058,620
235,248,892	10% veting dilution	23,524,889	23,524,889	23,524,889
(50% increase)	10% voting dilution	Shares	Shares	Shares
	Funds raised	\$529,310	\$1,058,620	\$1,587,930
313,665,190	10% voting dilution	31,366,519	31,366,519	31,366,519
(100% increase)	10/6 VOTING GITOTION	Shares	Shares	Shares
	Funds raised	\$705,747	\$1,411,493	\$2,117,240

The above table is based on the following assumptions:

• The number of shares on issue (Variable "A") is calculated as 156,832,595, being all the fully paid ordinary shares on issue as at the date of this Notice.

- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under Listing Rule 7.1.
- The issue of equity securities under the Additional Placement Capacity includes only Shares.
- The issue price of \$0.045 was the closing price of shares on ASX on 30 September 2020.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- the time and date of the entity's next annual general meeting; or
- the time and date of the approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or 11.2.

The Company may only issue equity securities under the Additional Placement Capacity for cash consideration to raise funds for the development of the Company's existing assets, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities under the Additional Placement Capacity.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the purpose of the issue;
- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from the Company's advisors.

As the Company has no current plans to undertake a new capital raising using its additional 10% placement capacity, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

The Company previously sought and obtained shareholder approval under Listing Rule 7.1A at the immediately prior Annual General Meeting held 22 November 2019.

In accordance with Listing Rule 7.3A.6, in the 12 months preceding the date of this meeting, the Company issued NIL ordinary shares pursuant to ASX Listing Rule 7.1A.2 representing 0% of the total number of equity securities on issue from the commencement of the last approval of Listing Rule 7.1A.

A voting exclusion statement has been included in this Notice. However, as at the date of this Notice, the Company has not approached any particular existing Shareholders to participate in the issue of equity securities under the Additional Placement Capacity. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

When the Company issues equity securities pursuant to the Additional Placement Capacity, it will give to ASX:

- a list of the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- the information required by Listing Rule 3.10.5A for release to the market.

5. RESOLUTION 4 – CHANGE OF COMPANY NAME

5.1 General

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

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

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

The Board proposes this change of name on the basis that it more accurately reflects the existing operations of the Company, being a specialist media sales company. The Company has reserved ASX ticker code "MXO" should Resolution 4 be passed.

If Resolution 4 is not passed, the Company will be unable to change its name to "Motio Limited".

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF SHARES - ADLINE CONSIDERATION

6.1 General

The Company announced on 10 December 2019 that it had entered into a binding sale and purchase agreement with Spicerack Pty Ltd to acquire specialist indoor and recreational sporting environments company Adline Media Pty Ltd (**Acquisition**).

6.2 Acquisition Terms

XTD completed the acquisition of 100% of Adline Media Pty Ltd (**Adline**) in January 2020 on the following material terms:

- Upfront consideration of \$518,000 in cash and 5,000,000 ordinary shares in XTD (Consideration Shares);
- up to 14,400,000 ordinary shares in XTD (**Deferred Consideration Shares**) as follows:

- o up to 5,000,000 ordinary shares in XTD (**Tranche A Deferred Consideration Shares**) upon XTD determining using audited or management accounts of Adline (at its discretion) and prepared in accordance with the Accounting Standards for the calendar year ending 2020, that those accounts demonstrate that EBITDA is greater than \$350,000 (**Milestone A**); and
- o up to 9,400,000 ordinary shares in XTD (**Tranche B Deferred Consideration Shares**) upon XTD determining using audited or management accounts of Adline (at its discretion) and prepared in accordance with the Accounting Standards for the calendar year ending 2021, that those accounts demonstrate that EBITDA is greater than \$480,000 (**Milestone B**);
- A deferred cash payment of up to \$400,000 cash subject to XTD determining that Milestone A has been achieved in whole or in part. If Milestone A is not achieved by the calendar year ending 2020, XTD will reassess the achievement of Milestone A at the end of the financial year ending 30 June 2021 and if Milestone A is not achieved in full the amount of the Deferred Consideration and the number of Tranche A Deferred Consideration Shares to be issued will be reduced so that for every 1% EBITDA is less than \$350,000 for the financial year ending 30 June 2021, the cash payment and number of shares to be issued at the end of financial year ending 30 June 2021 is reduced by 1.5% until EBITDA is less than \$245,000 where no payment or issue of Tranche A Deferred Shares will be made; and
- If Milestone B is not achieved by the calendar year ending 2021, XTD will reassess the achievement of Milestone B at the end of the financial year ending 30 June 2022 and if Milestone B is not achieved in full the number of Tranche B Deferred Consideration Shares to be issued will be reduced so that for every 1% EBITDA is less than \$480,000 for the financial year ending 30 June 2021, the number of shares to be issued at the end of financial year ending 30 June 2022 is reduced by 1.5% until EBITDA is less than \$336,000 where no issue of Tranche B Deferred Consideration Shares will be made.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 for the ratification of the issue of the Consideration Shares issued pursuant to the Acquisition.

Listing Rule 7.4 provides that an issue of, or agreement to issue, securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if:

- The issue or agreement did not breach Listing Rule 7.1; and
- The holders of the entity's ordinary securities subsequently approve the issue.

The issue of the Considerations Shares did not fall within any of the exceptions set out in ASX Listing Rule 7.1 and accordingly presently uses up part of the Company's annual placement capacity.

If Resolution 5 is passed, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is not passed, the Consideration Shares will be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of such Shares

Resolution 5 is an ordinary Resolution.

6.3 Listing Rules Notice Requirements

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

- (a) a total of 5,000,000 Consideration Shares were issued in part consideration for the Acquisition at a deemed issue price of \$0.02 per Share. Accordingly, no funds were raised from the issue of the Consideration Shares; and
- (b) the Consideration Shares issued were fully paid ordinary shares which rank equally with all other fully paid ordinary shares on issue; and
- (c) the Consideration Shares were issued to Spicerack Pty Ltd who is not a related party of the Company.

7. RESOLUTIONS 6 & 7 – RATIFICATION OF PRIOR ISSUE - TRANCHE 1 PLACEMENT SHARES

7.1 Background

On 19 August 2020 the Company announced that it was undertaking a fully underwritten non-renounceable rights issue offered on the basis of one new share for every five shares held (**Rights Issue**) at \$0.039 per share together with (1) free attaching option for every two new Shares subscribed for, to raise up to approximately \$1.22 million (before costs). In addition, the Company advised it had received firm commitments to raise \$1,035,014 by way of a two-tranche placement on the same terms as the Rights Issue (**Placement**).

In addition, XTD Directors Messrs Adam Cadwallader, Jason Byrne and Justus Wilde have each committed to subscribe for a total of \$120,000 on the same term as the Placement, subject to shareholder approval in Resolutions 9 to 11.

Funds raised will be used to take advantage of opportunities emerging from the COVID-19 pandemic, to expand the Company's product offerings including the doubling of screens within the Motio Health channel within its Medical Centre locations, accelerating the growth of Motio's media sales team and accelerating its marketing, and for working capital and to meet the costs of the Rights Issue.

The New Shares were issued on 27 August 2020 utilising the Company's existing placement capacities under Listing Rules 7.1 and 7.1A in the following proportions:

- 5,547,911 Shares were issued at \$0.039 per Share under ASX Listing Rule 7.1, and are the subject of Resolution 6; and
- 13,298,607 Shares were issued at \$0.039 per Share under ASX Listing Rule 7.1A, and are the subject of Resolution 7,

(together, the **Tranche 1 Placement Shares**).

The Company issued the Tranche 1 Placement Shares the subject of the Placement without prior Shareholder approval pursuant to both its 15% annual placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 5,547,911 Tranche 1 Placement Shares under the Placement issued on 27 August 2020 at an issue price of \$0.039 per Share under ASX Listing Rule 7.1.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 13,298,607 Tranche 1 Placement Shares under the Placement issued on 27 August 2020 at an issue price of \$0.039 per Share under ASX Listing Rule 7.1A.

7.2 ASX Listing Rule 7.1

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

Listing Rule 7.4 provides that an issue of, or agreement to issue, securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if:

- The issue or agreement did not breach Listing Rule 7.1; and
- The holders of the entity's ordinary securities subsequently approve the issue.

The issue of Tranche 1 Placement Shares did not fall within any of the exceptions set out in ASX Listing Rule 7.1 and accordingly presently uses up part of the Company's annual placement capacity.

If Resolution 6 is passed, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 6 is not passed, the Shares issued under the Placement will be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of such Shares.

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

7.3 ASX Listing Rule 7.1A

On 22 November 2019, the Company held its annual general meeting where shareholder approval was sought and obtained to, amongst other things, approve an additional 10% placement capacity pursuant to Listing Rule 7.1A.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue. The

Company confirms that the issue and allotment of the New Shares, the subject of Resolution 7 did not breach ASX Listing Rule 7.1A.

By ratifying the issue the subject of Resolution 7, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

If Resolution 7 is not passed, the Placement share issue is still valid however it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1A for 12 months following the issue or until additional approval is obtained at an Annual General Meeting of Shareholders.

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

7.4 Specific Information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of New Shares the subject of Resolutions 6 and 7:

- (a) A total of 18,846,518 Tranche 1 Placement Shares were allotted and issued by the Company on 27 August 2020 on the following basis;
 - (i) In relation to Resolution 6, 5,547,911 Tranche 1 Placement Shares were issued pursuant to ASX Listing Rule 7.1;
 - (ii) In relation to Resolution 7, 13,298,607 Tranche 1 Placement Shares were issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.039 per Tranche 1 Placement Share for both Resolution 6 and Resolution 7;
- (c) the Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Tranche 1 Placement Shares were issued to Capital H Inception Fund who is not a related party to the Company for the purposes of ASX Listing Rule 10.11;
- (e) funds raised totalled approximately \$735,014 and will be used to take advantage of opportunities emerging from the COVID-19 pandemic, to expand the Company's product offerings including the doubling of screens within the Motio Health channel within its Medical Centre locations, accelerating the growth of Motio's media sales team and accelerating its marketing, and for working capital and to meet the costs of the Rights Issue; and
- (f) a voting exclusion statement is included in the Notice.

8. RESOLUTION 8 – ISSUE OF TRANCHE 2 PLACEMENT SHARES & OPTIONS

8.1 General

As detailed in Section 7.1 of this Explanatory Statement, the Company has received firm commitments to raise \$1,035,014 by way of a two-tranche placement on the same terms as the Rights Issue (**Placement**).

Resolution 8 seeks Shareholder approval for the issue of up to 11,025,645 Tranche 2 Placement Shares at an issue price of \$0.039 to raise up to \$430,000 (before costs) (**Tranche 2 Placement Shares**) together with a 1-for-2 attaching Option exercisable \$0.08 expiring 30 September 2023 (**Tranche 2 Placement Options**).

ASX Listing Rule 7.1 broadly provides that a company can issue Equity Securities up to 15% of its issued capital in any 12 month period without shareholder approval. Subject to certain exceptions, prior shareholder approval is required for any issue of Equity Securities where the securities proposed to be issued (when aggregated with other Equity Securities issued by the company not under an exception and not with shareholder approval) represent more than 15% of the company's issued capital.

The effect of Resolution 8 will be to allow the Company to issue the Tranche 2 Placement Shares & 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. If Resolution 8 is not passed the Company will not be able to issue the Tranche 8 Placement Shares and Options and will need to consider alternate methods of financing the Company's growth plans. If Resolution 8 is not passed the Company intends to issue the Tranche 2 Placement Shares and Options pursuant to its placement capacity, subject to the passing of either Resolution 5, 6 or 7 that seek to ratify prior issues of securities.

Resolution 8 is an ordinary resolution.

8.2 Technical information required by ASX Listing Rule 7.3

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

- (a) the maximum number of securities to be issued is 11,025,645 Tranche 2 Placement Shares and 5,512,823 Tranche 2 Placement Options. The material terms and conditions of the Tranche 2 Placement Options are set out in Schedule 1;
- (b) the issue price of the Tranche 2 Placement Shares is \$0.039 per Share together with a 1-for-2 attaching Tranche 2 Placement Option;
- (c) the Tranche 2 Placement Shares & 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 all of the Tranche 2 Placement Shares & Options will occur on the same date;
- (d) The Tranche 2 Placement Shares & Options will be issued to sophisticated and professional investors arranged by lead manager Taylor Collison Ltd who will identify investors on the basis that their risk tolerance is aligned with the business objectives of a Company of XTD's size and with an underlying premise that those investors will be long term shareholders, none of whom will be related parties of the Company or who will subscribe for more than 1% of the issued capital in the Company. The Company's Company Secretary intends to participate in the issue;
- (e) funds raised from the issue will be used to take advantage of opportunities emerging from the COVID-19 pandemic, to expand the Company's product offerings including the doubling of screens within the Motio Health channel within its Medical Centre locations, accelerating the growth of Motio's media sales team and accelerating its marketing, and for working capital and to meet the costs of the Rights Issue; and

9. RESOLUTIONS 9 TO 11 - PARTICIPATION OF DIRECTORS IN THE PLACEMENT - MESSRS CADWALLADER, BYRNE & WILDE

9.1 General

As detailed in the Explanatory Statement for Resolution 6, at Section 7.1, the Company is proposing to undertake the Placement for the purposes of raising funds to take advantage of opportunities emerging from the COVID-19 pandemic.

Resolutions 9 to 11 seek approval to issue Shares and Options on the same terms as under the Placement to three Directors of the Company, Mr Adam Cadwallader, Mr Jason Byrne and Mr Justus Wilde (or their respective nominees), should they elect to subscribe for Shares under the Placement (**Participating Directors**).

9.2 ASX Listing Rules

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

- (a) a related party;
- (b) 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;
- (c) 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;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 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 proposed issues of Shares and attaching Options to the Participating Directors pursuant to the Placement falls within Listing Rule 10.11 and do not fall within any of the exceptions in Listing Rule 10.12. The proposed issues therefore require the approval of Shareholders under Listing Rule 10.11.

If Resolutions 9, 10 and 11 are passed, the Company will be allowed to proceed to issue the Shares and attaching Options (further details of which are contained in Section 7.1 above) to the Participating Directors on the same terms as the Placement.

If Resolutions 9 to 11 are not passed, the Company will not be able to proceed to issue the Shares and attaching Options to the Participating Directors under the Placement and therefore the gross proceeds raised by the Placement will reduce by \$120,000.

Resolutions 9 to 11 are ordinary resolutions.

9.3 Specific information required by Listing Rule 10.13 - Resolutions 9 to 11

In respect of Resolutions 9 to 11, the following information is provided in relation to the proposed issue of Shares and attaching Options to Adam Cadwallader, Jason Byrne

and Justus Wilde (or their nominees) pursuant to the Placement, for the purposes of Listing Rule 10.13:

- (a) the Shares and attaching Placement Options will be issued to Adam Cadwallader, Jason Byrne and Justus Wilde (or their nominees) on the same terms as the Placement;
- (b) each of Adam Cadwallader, Jason Byrne and Justus Wilde are Directors and therefore are related parties of the Company pursuant to ASX Listing Rule 10.11.1;
- (c) the maximum number of securities to be issued is:
 - (i) 1,282,052 Shares and 641,026 attaching Placement Options to Adam Cadwallader (or his nominee);
 - (ii) 1,282,052 Shares and 641,026 attaching Placement Options to Jason Byrne (or his nominee); and
 - (iii) 512,821 Shares and 256,411 attaching Placement Options to Justus Wilde (or his nominee).
- (d) the attaching Placement Options will be exercisable at \$0.08 on or before 30 September 2023 and otherwise on the terms and conditions set out in Schedule 1
- (e) the Shares and attaching Placement 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 Listing Rules);
- (f) the Shares will be issued at an issue price of \$0.039 each, being the same as all other Shares issued under the Placement;
- (g) the Shares issued will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue; and
- (h) the attaching Placement Options will be issued for nil consideration on the basis of one (1) new Placement Option for every two (2) Shares subscribed for and otherwise on the terms and conditions set out in Schedule 1.
- (i) the funds raised will be used for the same purposes as all other funds raised under the Placement, as set out in Section 7.4(e).

10. RESOLUTION 12 – ISSUE OF ATTACHING TRANCHE 1 PLACEMENT OPTIONS

10.1 General

As detailed in the Explanatory Statement for Resolution 6, at Section 7.1, the Company undertook the Tranche 1 Placement to raise \$735,014 in Tranche 1 (before costs) and, subject to shareholder approval, agreed to issue the Tranche 1 Placement subscribers with a free attaching option on a 1-for-2 basis.

Resolution 12 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of up to 9,423,265 Options for nil cash consideration to subscribers for Shares under the Placement on the basis of one (1) free attaching Option for every two (2) Shares issued (**Tranche 1 Placement Options**).

A summary of ASX Listing Rule 7.1 is set out in section 8.1 above. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. The issue of the Tranche 1 Placement Options does not fall within any of the specified exceptions set out in ASX Listing Rule 7.2 and accordingly shareholder approval is being sought for the issue.

If Resolution 12 is passed the Company will issue the Tranche 1 Placement Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity. If Shareholders do not approve Resolution 12 the Company will not be able to issue the Tranche 1 Placement Options and consequently will note be able to complete its obligations under Placement and risks having to refund the Tranche 1 Placement proceeds to investors. In this scenario the Company will seek to issue the Tranche 1 Placement Options pursuant to its placement capacity, subject to the passing of either Resolution 5, 6 or 7 that seek to ratify prior issues of securities.

10.2 General

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (i) the maximum number of Tranche 1 Placement Options to be issued is 9,423,265;
- (ii) the Tranche 1 Placement 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 Placement Options will occur on the same date;
- (iii) the issue price of the Tranche 1 Placement Options will be nil as they will be issued free attaching to the Shares issued pursuant to the Tranche 1 Placement on the basis of one (1) Option for every two (2) Shares issued;
- (iv) the Tranche 1 Placement Options will be issued to Capital H Inception Fund who is not considered a related party to the Company for the purposes of ASX Listing Rule 10.11:
- (v) the Tranche 1 Placement Options will be issued on the terms and conditions set out in Schedule 1; and
- (vi) no funds will be raised from the issue of the Tranche 1 Placement Options as the Placement Options will be issued for nil cash consideration on a free attaching basis.

11. RESOLUTION 13 – ISSUE OF ADVISOR OPTIONS – TAYLOR COLLISON

11.1 General

As detailed in the Explanatory Statement for Resolution 6 at Section 7.1, on 19 August 2020 the Company announced its intention to undertake a Rights Issues entitlement offer to existing shareholders that was fully underwritten by Taylor Collison Ltd.

In consideration for acting as lead manager and underwriter to the Placement and Rights Issue, XTD agreed to pay Taylor Collison commission fees equal to 6% of the gross proceeds from the raisings and 4,000,000 options exercisable at \$0.08 expiring 30 September 2023.

Resolution 13 seeks Shareholder approval for the issue of up to 4,000,000 unlisted Options to Taylor Collison (**Advisor Options**).

A summary of ASX Listing Rules 7.1 is set out in section 8.1 above.

If Resolution 13 is passed, the Company will issue the Consultant Options during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity. If Resolution 13 is not passed the Company will assess alternate methods of compensation to Taylor Collison in consideration for acting as lead manager and underwriter to the Rights Issue.

Resolution 13 is an ordinary resolution.

11.2 Technical information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 13:

- a) The maximum number of Advisor Options to be granted by the Company under Resolution 13 is 4,000,000;
- b) The Advisor Options may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Advisor Options will be issued on the same date;
- c) The Advisor Options will be granted for nil consideration and accordingly no funds will be raised from the issue of Advisor Options;
- d) The Advisor Options will be granted to Taylor Collison (or its nominees) who are considered an unrelated party to the Company;
- e) A summary of the material terms of the Advisor Options is set out in Schedule 1; and
- f) A voting exclusion statement is included in the Notice.

12. RESOLUTION 14 - APPROVAL TO ISSUE SECURITIES TO DIRECTOR - MR ADAM CADWALLADER

12.1 General

Mr Adam Cadwallader was appointed Managing Director and CEO of XTD in August 2019 and has been instrumental in the developing and growing the XTD business and as such the Company has agreed to issue the following incentive securities to Adam Cadwallader as part of his remuneration:

- 1,041,667 Performance Rights comprising:
 - 625,000 performance rights convertible into ordinary shares upon the 60-day Volume Weight Average Price (VWAP) of the Company's securities being at least \$0.08; and
 - 416,667 performance rights convertible into ordinary shares upon the 60-day (VWAP) of the Company's securities being at least \$0.12,

(together, the **Director Securities**).

The Board has determined that the grant of Director Securities under the XTD Employee Securities Incentive Plan (the **Plan**) to Mr Adam Cadwallader is an

appropriate form of long term incentive for the Company's Key Management Personnel. The Board considers that Mr Adam Cadwallader is essential to the operation of XTD's ongoing business.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the Director Securities to the Mr Adam Cadwallader (or his nominees) under the Plan, the key terms of which are set out in Schedule 2.

In determining Mr Adam Cadwallader's remuneration package, including this proposed issue of Director Securities under the Plan, the Board considered the scope of the Mr Cadwallader's role, the business challenges facing XTD and market practice for the remuneration of officers in positions of similar responsibility. Accordingly, they determine this proposed grant of Director Securities is appropriate.

Full terms and conditions of the Performance Rights are set out in Schedule 3. Shares issued on conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue.

Resolution 14 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the Director Securities to Mr Adam Cadwallader or his nominees. If Resolution 14 is passed, the Company intends to issue the Director Securities no later than one month after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If resolution 14 is not passed by shareholders, the Company will need to assess alternate methods of remunerating its executive personnel.

12.2 Specific Information required by Listing Rule 10.14

Listing Rule 10.11 provides a general restriction against issuing securities to directors without shareholder approval.

Listing Rule 10.14 provides that a listed Company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- A director of the Company;
- An associated of a director of the Company; or
- A person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

Unless it obtains the approval of its shareholders.

The proposed issue of the Director Securities falls within Listing Rule 10.14.1 above and therefore requires the approval of XTD's shareholders under Listing Rule 10.14.

In compliance with the information requirements of Listing Rule 10.15A, Shareholders are advised of the following information:

- a) The maximum number of Director Securities to be issued to Mr Adam Cadwallader is 1,041,667 Performance Rights comprising:
 - 625,000 performance rights convertible into ordinary shares upon the 60-day Volume Weight Average Price (VWAP) of the Company's securities being at least \$0.08; and

 416,667 performance rights convertible into ordinary shares upon the 60-day (VWAP) of the Company's securities being at least \$0.12,

and otherwise on the terms and conditions set out in Schedule 3 of this Notice.

- b) The Director Securities are being issued to the Mr Cadwallader as part of the incentive component of his remuneration and are being issued for nil cash consideration. Accordingly, no funds will be raised from the issue of the Director Securities and no loan.
- c) The following persons, referred to in Listing Rule 10.14, received securities under the Company's incentive scheme since its approval on 22 November 2019:

Name	Number of Options	Number of Performance Rights	Acquisition price of Performance Rights
Justus Wilde	3,645,833	-	Nil
Adam Cadwallader	-	4,166,667	Nil
Jason Byrne	3,645,833	-	Nil
Mark Niutta	1,822,917	-	Nil

- d) Under the Plan, a summary of which is set out in Schedule 2 of this Notice, Director Options and Performance Rights may be issued to all Directors, or their permitted nominees, but for the purposes of Resolution 14, at this time, the Company is only seeking to grant the Director Securities to Mr Adam Cadwallader (and/or his nominees). The persons referred to in Listing Rule 10.14 who are entitled to participate in the Plan are Messrs Adam Cadwallader, Justus Wilde, Jason Byrne and Mark Niutta. These recipients are the only people referred to in Listing Rule 10.14 currently eligible to participate in the Plan. Any additional persons who become entitled to participate in the Plan after this Resolution is approved, and who are not named in this Notice of Meeting, will not participate until approval is obtained under Listing Rule 10.14.
- e) The Company will issue the Director Securities no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), and it is intended that all of the Director Securities will be issued on the same date.
- f) Mr Adam Cadwallader is a related party of the Company pursuant to ASX Listing Rule 10.11.1 by virtue of being a Director.
- g) Details of any securities issued under the Plan will be published in each annual report of the Company relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14.
- h) Mr Cadwallader's remuneration currently comprises \$305,000 per annum (including superannuation) with a notice period of six months.
- i) The latest date that the Company will issue Director Securities will be no later than 3 years after the date of the General Meeting however it is intended to issue the Director Securities within one month following the Meeting.

- j) No loans have or will be made by the Company in connection with the Director Securities.
- k) A voting exclusion statement is included in the Notice.

12.3 Regulatory Requirements: Corporations Act

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A "related party" is widely defined under the Corporations Act and includes the directors of the company. As such, the Directors of the Company are related parties of the Company for the purposes of Section 208 of the Corporations Act.

A "financial benefit" is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

The issue of the Director Securities under Resolution 14 constitutes the provision of a financial benefit to a related party.

It is the view of the Directors that the proposed issue of Shares pursuant to Resolution 14 falls within the "reasonable remuneration" exception under Section 211 of the Corporations Act given the circumstances of the Company and the position held by Mr Cadwallader.

Accordingly, the Directors have determined not to seek Shareholder approval for the purposes of Section 208 of the Corporations Act for the issue of the Director Securities to Mr Cadwallader.

12.4 Board Recommendation

The Directors (other than Mr Cadwallader) do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Director Securities to Mr Cadwallader.

The Directors, other than Mr Adam Cadwallader who has a material personal interest in the outcome of Resolution 14, recommend that Shareholders vote in favour of Resolution 14 on the basis that the grant of the Director Securities will allow the Company to adequately reward Mr Adam Cadwallader, in his role as Managing Director, whilst preserving the Company's limited cash reserves.

Mr Adam Cadwallader has a material personal interest in the outcome of Resolution 14 and accordingly does not make a voting recommendation to Shareholders.

13. RESOLUTIONS 15 & 16 - ISSUE OF SHARES IN LIEU OF DEBT TO DIRECTORS - MESSRS CADWALLADER & BYRNE

13.1 General

Resolutions 15 and 16 seek Shareholder approval to enable the Company to issue Shares to Managing Director Mr Adam Cadwallader and Non-Executive Director Mr Jason Byrne (**Related Parties**) in lieu of outstanding Director fees owed (**Related Party Securities**).

During the financial year ending 30 June 2020 Mr Adam Cadwallader took a voluntary salary reduction equal to 33% for the period 1 April to 30 June 2020. Mr Adam Cadwallader has agreed, subject to shareholder approval, to settle a portion of the outstanding fees equal to 13% of his salary by way of issuing shares at a price equal to the VWAP over the salary reduction period, being \$0.035.

During the financial year ending 30 June 2020 Mr Jason Byrne took a voluntary salary reduction equal to 33% for the period 1 April to 30 June 2020. Mr Jason Byrne has agreed, subject to shareholder approval, to settle a portion of the outstanding fees equal to 13% of his salary by way of issuing shares at a price equal to the VWAP over the salary reduction period, being \$0.035.

13.2 Chapter 2E and ASX Listing Rule 10.11

A summary of the Corporations Act requirements is set out in section 12.3 of this Notice.

The issue of Related Party Securities in settlement of outstanding fees constitutes giving a financial benefit and Messrs Cadwallader and Byrne are related parties of the Company by virtue of being Directors.

A summary of ASX Listing Rule 10.11 is set out in section 12.2 above.

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

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act apply in the current circumstances. Notwithstanding, the proposed issue of Related Party Securities to the Related Parties requires the Company to obtain Shareholder approval pursuant to ASX Listing Rule 10.11 because it will result in the Company issuing securities to a related party of the Company. Accordingly, Shareholder approval is sought pursuant ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Securities to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Related Party Securities to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

If Resolutions 15 and 16 are passed, the grant of the Related Party Securities to Messrs Cadwallader and Byrne will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

In the event Resolutions 15 and 16 are not passed, XTD will be liable to settle the Outstanding Fees owed to Mr Adam Cadwallader and Mr Jason Byrne in cash.

Resolutions 15 and 16 are ordinary resolutions.

13.3 Information required by Listing Rule 10.13

The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- a) The related parties are Mr Adam Cadwallader and Mr Jason Byrne by virtue of being Directors of the Company, pursuant to Listing Rule 10.11.1.
- b) The maximum number of Related Party Securities (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - i. 255,372 fully paid ordinary shares to Mr Adam Cadwallader.
 - ii. 205,715 fully paid ordinary shares to Mr Jason Byrne.
- c) The Related Party Securities will be granted to the Related Parties no later than one (1) month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Securities will be issued on one date;
- d) The shares will be issued at a deemed price of \$0.035 per share and issued in consideration for the settlement of outstanding Director Fees owed by the Company to the Related Parties comprising \$8,938 to Mr Cadwallader and \$7,200 to Mr Byrne. Accordingly, no funds will be raised by the issue of the Related Party Securities.
- e) Details of the Related Parties remuneration are set out in the table below:

Eligible Participants	2020	2019	2018
Mr Adam Cadwallader (appointed 1 August 2019)	\$305,375	N/A	N/A
Mr Jason Byrne (appointed 1 November 2018)	\$108,636	\$157,333	N/A

f) Voting exclusion statements are included in the Notice.

14. RESOLUTION 17- ISSUE OF SHARES IN LIEU OF DEBT TO EMPLOYEES

14.1 General

Resolution 17 seeks Shareholder approval to enable the Company to issue Shares to two employees (**Employees**) in lieu of outstanding fees owed (**Employee Securities**).

During the financial year ending 30 June 2020 two employees accepted voluntary salary reductions equal to 33% for the period 1 April to 30 June 2020. The Employees have agreed to settle a portion of the outstanding fees equal to 13% of their salaries by way of issuing 341,086 shares at a price equal to the VWAP over the salary reduction period, being \$0.035.

A summary of ASX Listing Rule 7.1 is set out in section 8.1 above. The issue of the Employee securities does not fall within any of the specified exceptions set out in ASX Listing Rule 7.2 and accordingly shareholder approval is being sought for the issue.

If Resolution 17 is passed, the Company will issue the Employee Securities 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. If Resolution 17 is not passed

the Company will rely on its placement capacity under Listing Rule 7.1 to issue the Employee Securities.

14.2 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 17:

- (a) the maximum number of securities to be issued is 351,086 Shares.
- (b) the deemed issue price of the Employee Securities is \$0.035 per Share and the purpose of the issue is to pay outstanding accrued employee fees totalling \$11,938, accordingly no funds will raised by the issue of Employee Securities;
- (c) the Employee Securities 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 all of the Employee Securities will occur on the same date;
- (d) The Tranche 2 Placement Shares & Options will be issued to employees Mr Michael Johnstone and Jack Mortlock, none of whom are considered related parties of the Company pursuant to Listing Rule 10.11.1; and
- (e) a voting exclusion statement is included in the Notice.

15. ENQUIRIES

Shareholders are required to contact the Company Secretary, Mr Matthew Foy, on (+61 8) 9486 4036 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given to that term in section 4.1 of the Explanatory Statement.

Acquisition has the meaning set out in section 6.1.

Adline means Adline Media Pty Ltd (ACN 133 097 917).

Advisor Options has the meaning set out in section 11.1.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the Chair of the Meeting.

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

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

Consideration Shares has the meaning set out in section 6.2.

Company means XTD Ltd (ACN 147 799 951).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Deferred Consideration Shares has the meaning set out in section 6.2.

Director Securities has the meaning set out in section 12.1.

Directors means the current directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

EDST means Australia Eastern Daylight Savings Time as observed in Sydney, NSW.

Eligible Entity means an entity that, at the date of the relevant general meeting:

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

Employee Securities has the meaning set out in section 14.1.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Milestone A has the meaning set out in section 6.2.

Milestone B has the meaning set out in section 6.2.

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

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

Participating Directors has the meaning set out in section 9.1.

Placement has the meaning set out in section 7.1.

Plan means XTD Employee Securities Incentive Plan.

Proxy Form means the proxy form accompanying the Notice.

Related Party Securities has the meaning set out in section 13.1.

Remuneration Report means the Remuneration Report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2020.

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

Rights Issue has the meaning set out in section 7.1.

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

Shareholder means a holder of a Share.

Tranche 1 Placement Shares has the meaning set out in section 7.1.

Tranche 1 Placement Shares has the meaning set out in section 10.1.

Tranche 2 Placement Options has the meaning set out in section 8.1.

Tranche 2 Placement Shares has the meaning set out in section 8.1.

Tranche A Deferred Consideration Shares has the meaning set out in section 6.2.

Tranche B Deferred Consideration Shares has the meaning set out in section 6.2.

Variable A means "A" as set out in the calculation in section 4.2 of the Explanatory Statement.

VWAP means the volume weighted average price of trades in the Company's shares.

SCHEDULE 1 - TERMS AND CONDITIONS OF OPTIONS

(a) Exercise Price

Subject to paragraph (h), the amount payable upon exercise of each Option will be \$0.08 (Exercise Price).

(b) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 September 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Period

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

(d) 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.

(e) 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**).

(f) 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 paragraph (f)(i) or (f)(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.

(g) Shares issued on exercise

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

(h) 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.

(i) 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.

(j) Change in exercise price

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

(k) Quoted

The Company will not apply for quotation of the Options on ASX.

(I) Transferability

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

SCHEDULE 2 - SUMMARY OF EMPLOYEE SECURITIES INCENTIVE PLAN

A summary of the terms of the XTD Limited Employee Securities Incentive Plan (**Plan**) is set out below:

1. Eligible Participant

Eligible Participant means a person who is a full-time or part-time employee, officer, or contractor of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Plan from time to time.

The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

2. Purpose

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

3. Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

4. Eligibility, invitation and application

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

5. Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

6. Terms of Convertible Securities

Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

7. Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

10. Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Group or any entity within the Group into disrepute, or wilfully breached his or her duties to the Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation or vesting notice.

11. Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event provided that, in respect of Convertible Securities, the maximum number of Convertible Securities (that have not yet been exercised) that the Board may determine will vest and be exercisable into Shares under this Rule is that number of Convertible Securities that is equal to 10% of the Shares on issue immediately following vesting under this Rule, which as far as practicable will be allocated between holders on a pro-rata basis on the basis of their holdings of Convertible Securities on the date of determination of vesting.

12. Rights attaching to Plan Shares

All Shares issued or transferred under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

13. Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

14. Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15. Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. Compliance with applicable law

No Security may be offered, grated, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Plan Shares that may be issued upon exercise of Convertible Securities offer when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:

- (i) an employee incentive scheme of the Company covered by ASIC Class Order 14/1000; or
- (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,

but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:

- (iii) an offer to a person situated at the time of receipt of the offer outside Australia;
- (iv) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to

have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or

(v) an offer made under a disclosure document,

would exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation.

17. Maximum number of Securities

The Company will not make an invitation under the Plan if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan, will exceed 15% of the total number of issued Shares at the date of the invitation.

18. Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

19. Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

20. Income Tax Assessment Act

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to the conditions in that Act).

SCHEDULE 3 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

- (a) Each Performance Right shall carry the right in favour of the holder to be issued one Share on satisfaction of the following conditions (together, the **Vesting Conditions**):
 - (i) 625,000 performance rights are convertible into ordinary shares upon the 60-day Volume Weight Average Price (**VWAP**) of the Company's securities being at least \$0.08; and
 - (ii) 416,667 performance rights are convertible into ordinary shares upon the 60-day (VWAP) of the Company's securities being at least \$0.12,
- (b) A Performance Right may only be exercised after that Performance Right has vested and before 20 December 2022 (**PR Expiry Date**). A Performance Right vests upon satisfaction of the relevant Vesting Condition as determined by the Board.
- (c) An unvested Performance Right will lapse upon the first to occur of:
 - a. the relevant Vesting Condition not being satisfied by PR Expiry Date;
 - b. termination of the holder's employment or engagement with the Company on the basis that the holder acted fraudulently or dishonestly in relation to the Company; or
 - c. on certain conditions associated with a "change of control event" as that term is defined in the Employee Securities Incentive Plan.
- (d) A Performance Right which has vested but has not been exercised will lapse upon the first to occur of (i) the close of business on the PR Expiry Date, (ii) the transfer or purported transfer without the consent of the Board, (iii) the holder acting fraudulently or dishonestly in relation to the Company, or (iv) on certain conditions associated with a "change of control event" as that term is defined in the Long Term Incentive Plan.
- (e) Shares allotted to holders on exercise of Performance Rights shall rank from the date of allotment, equally with existing Shares in all respects and shall be issued for nil consideration.
- (f) Performance Rights shall not be listed for Official Quotation on ASX. The Company shall, in accordance with the Listing Rules, make application to have the Shares allotted pursuant to an exercise of Performance Rights listed for Official Quotation on ASX.
- (g) Performance Rights may only be transferred with the consent of the Board or by force of law upon the death of a holder. Shares may only be transferred upon the expiration of a period (if any) advised to the holder at the time the Performance Rights relating to those Performance Shares were issued.
- (h) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders unless a Performance Right has vested and been exercised and a Share has been issued in respect of that Performance Right.
- (i) In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the vesting of any Performance Rights, the number of Shares to which each holder is entitled upon exercise of the Performance Rights or any amount payable on exercise the Performance Rights or both will be adjusted in a manner determined by the Board which complies with the provisions of the Listing Rules to ensure that no advantage or disadvantage accrues to the holder as a result of such corporate actions.



Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **9.30am (EDST) on Wednesday, 4 November 2020,** 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

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.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair 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 Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair 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.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

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

Joint holding: Where the holding is in more than one name, all 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.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

https://investor.automic.com.au/#/loginsah

or scan the QR code below using your smartphone

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



BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

IN PERSON:

Automic

Level 5, 126 Phillip Street Sydney NSW 2000

BY EMAIL:

 $\underline{meetings@automicgroup.com.au}$

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: https://automicgroup.com.au/

PHONE: 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)

STEP 1 - How to vote				
APPOINT A PROXY: I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of XTD Ltd, to be held at 9.30am (EDST) on Friday, 6 November 2020 at Suite 1, 29-33 The Corso, Manly NSW 2095 hereby:				
provided below the name of the p	person or body Chair's nominee,	corporate you are to vote in accorda	ing the Chair of the Meeting as your pappointing as your proxy or failing that appointing as your proxy or failing that with the following directions, or, if rannent thereof.	ne person so named or, if no
Unless indicated otherwise by tickin Chair's voting intention. AUTHORITY FOR CHAIR TO VOTE Where I/we have appointed the Cha	ng the "for"," ag : UNDIRECTED I air as my/our pro	ainst" or "abstain" PROXIES ON REM DXY (or where the C	ons in which the Chair is entitled to vote box you will be authorising the Chair becomes my/our proxy by defaulthe Chair is entitled to vote the Chair is en	o vote in accordance with the i), I/we expressly authorise the
Resolution 1 is connected directly of Chair.	or indirectly with		e have indicated a different voting in of a member of the Key Management	
STEP 2 – Your voting directi			<u> </u>	
Resolutions	For Ag	ainst Abstain	Resolutions	For Against Abstain
1. Adoption of Remuneration Report			10. Participation of Director in Placement – Mr Jason Byrne	
2. Re-Election of Director — Mr Jason Byrne			11. Participation of Director in Placement — Mr Justus Wilde	
3. Approval of 10% Placement Capacity—Shares			12. Issue of Tranche 1 Placement Attaching Options	
4. Approval to Change Company Name			13. Issue of Advisor Options — Taylor Collison	
5. Ratification of Prior Issue of Shares - Adline Consideration			14. Approval to Issue Securities to Director — Mr Adam Cadwallader	
6. Ratification of Prior Issue – Tranche 1 Placement Shares			15. Issue of Shares in Lieu of Debt to a Director — Mr Adam Cadwallader	
7. Ratification of Prior Issue – Tranche 1 Placement Shares			16. Issue of Shares in Lieu of Debt to A Director – Mr Jason Byrne	
8. Issue of Tranche 2 Placement Shares & Options			17. Issue of Shares in Lieu of Debt to Employees	
9. Participation of Director in Placement – Mr Adam Cadwallader				
Please note: If you mark the abstain box poll and your votes will not be counted			ecting your proxy not to vote on that Resoluti poll.	ion on a show of hands or on a
STEP 3 – Signatures and co	ntact details			
Individual or Securityholder 1		Securityholder 2	Securityholder 3	
Sole Director and Sole Company Secr Contact Name:	etary Directo	or	Director / Company Sec	cretary
Email Address:				
Email Address:				\top
Contact Daytime Telephone			Date (DD/MM/YY)	
	1			/
By providing your email address, you elect to	o receive all of your	communications despat	ched by the Company electronically (where lega	lly permissible).



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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.

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

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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.

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BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

IN PERSON:

Automic

Level 5, 126 Phillip Street Sydney NSW 2000

BY EMAIL:

 $\underline{meetings@automicgroup.com.au}$

BY FACSIMILE:

+61 2 8583 3040

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Email Address:				
Email Address:				\top
Contact Daytime Telephone			Date (DD/MM/YY)	
	1			/
By providing your email address, you elect to	o receive all of your	communications despat	ched by the Company electronically (where lega	lly permissible).