
NEWZULU LIMITED

ACN 078 661 444

NOTICE OF GENERAL MEETING

TIME: 10:30 am AWST

DATE: Friday, 31 July 2015

PLACE: The Park Business Centre
45 Ventnor Avenue
West Perth WA 6005

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 9321 0715.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10:30 am AWST on Friday, 31 July 2015 at:

The Park Business Centre
45 Ventnor Avenue
West Perth WA 6005

Your vote is important

The business of the 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 Meeting are those who are registered Shareholders at 5:00 pm on Wednesday, 29 July 2015.

Voting in person

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

Voting by proxy

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

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

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

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

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

Further details on these changes are 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 (ie 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 (ie 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 (ie 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:
 - the proxy is not recorded as attending the meeting; or
 - 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.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BLUEROOM CAPITAL

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 the issue of 35,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO BLUEROOM CAPITAL

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 the issue of 3,571,429 Shares and 5,500,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 26,038,040 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – APPROVAL OF PLACEMENT SHARES

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$6,000,000 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES TO VENDOR OF OCTIPLEX

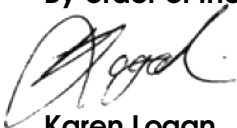
To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, is equal to €362,500 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 2 July 2015

By order of the Board



Karen Logan
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.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO BLUEROOM CAPITAL

1.1 General

On 9 February 2015, the Company issued 35,000,000 Shares in consideration for the satisfaction of a secured loan of \$3,500,000 advanced from Blueroom Capital Pty Ltd ACN 162 559 882 (**Blueroom Capital**) (**Blueroom Loan**). Details of the Blueroom Loan were previously set out in section 4.16 of the Company's Notice of General Meeting dated 2 January 2015.

The Company issued the Shares without prior Shareholder approval out of its 15% annual placement capacity.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares in consideration for the satisfaction of the Loan.

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

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, 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.

1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Loan Conversion:

- (a) 35,000,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration in lieu of cash repayment of the Loan.
- (c) the 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 Shares were issued to Blueroom Capital Pty Ltd, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued for nil cash consideration in lieu of cash repayment of the Loan.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS TO BLUEROOM CAPITAL

2.1 General

On 9 February 2015, the Company issued 3,571,429 Shares and 5,500,000 Options in consideration for the satisfaction of fees on the Blueroom Loan. Details of the Blueroom Loan were previously set out in section 4.16 of the Company's Notice of General Meeting dated 2 January 2015.

The Company issued the Shares and Options without prior Shareholder approval out of its 15% annual placement capacity.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Options.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.1 above.

By ratifying this issue, 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.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 3,571,429 Shares and 5,500,000 Options were issued;
- (b) the Shares and Options were issued for nil cash consideration in satisfaction of fees owing on the Blueroom Loan.
- (c) the 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 Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Shares and Options were issued to Blueroom Capital, who is not a related party of the Company; and
- (f) no funds were raised from this issue as the Shares and Options were issued for nil consideration in satisfaction of fees owing on the Blueroom Loan.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES

3.1 General

On 11 May 2015, the Company issued 26,038,040 Shares at an issue price of \$0.10 per Share to raise \$2,603,704.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.1 above.

By ratifying this issue, 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.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 26,038,040 Shares were issued;
- (b) the issue price was \$0.10 per Share;
- (c) the 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 Shares were issued to institutions and sophisticated investors of Foster Stockbroking. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue were used to advance the execution of Newzulu's business plan through its Editorial, Platform, Live and Prime offerings worldwide; in support of the global launch of Newzulu Live; and to expand the Company's operations across the United States of America, capitalising on recent key partnerships.

4. RESOLUTION 4 – APPROVAL OF PLACEMENT SHARES

4.1 General

Resolution 4 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$6,000,000 (**Placement Shares**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 4 will be to allow the Company to issue the Placement Shares 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.

4.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Placement Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$6,000,000;
- (b) the Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (c) the Placement Shares will be issued at a price per Share calculated in accordance with Listing Rule 7.3.3 of at least 80% of the volume weighted average market price of the Shares over the last five days on which sales of the Shares are recorded before the day of issue of the Placement Shares (or,

if a prospectus or offer information statement is issued in relation to the issue, before the date of signing of that document);

- (d) as at the date of this Notice the identity of the investors was not known. However, all the investors of the Placement Shares will be international and domestic institutional and sophisticated investors, none of whom will be related parties of the Company;
- (e) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the issue of the Placement Shares is as follows:

Item	Amount (\$)
Operational, journalistic and technical costs of the Newzulu business	1,375,000
Newzulu Platform business costs	200,000
Newzulu Live business costs	635,000
Newzulu Prime business costs	935,000
Product development costs	340,000
Costs associated with pursuing new opportunities	500,000
Estimated costs of the issue of the Placement Shares	400,000
General working capital	1,615,000
Total funds raised	6,000,000

5. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES TO VENDOR OF OCTIPLEX

5.1 General

On 1 July 2015, the Company announced that it had executed a binding conditional share sale agreement under which the Company's wholly owned French subsidiary Newzulu SAS (French Company Number 793 856 428)) (**Newzulu SAS**) will acquire 100% of the issued share capital in Octiplex (B 508 957 016 (RCS) (**Acquisition**), an information services and technology company based in Lyon, France (**Octiplex**) (**Agreement**).

The parties to the Agreement include:

- (a) Newzulu SAS;
- (b) Mr Damien Gosset, the sole shareholder of Octiplex (**Vendor**);

- (c) the Company;
- (d) Octiplex;
- (e) Newzulu Mobile Limited (UK Company Number 915 18 58), the Company's wholly owned UK subsidiary; and
- (f) La Methode Desenvolvimento e Consultoria De Software Ltda (Company Number 35 227 795 007), of which Octiplex owns 1,485 shares and the Vendor owns 15 shares, incorporated in Brazil,

(together the **Parties**).

5.2 Background to the Acquisition

About Octiplex

Octiplex was founded in 2008 and is headquartered in Lyon, France with offices in Sao Paulo, Brazil. Octiplex is a software design and engineering company that develops mobile applications for the media and advertising industry. Octiplex has delivered mobile apps to major media companies and brands across the USA, Europe and South America, including the development of Newzulu's own apps and software development kits for Apple's iOS and Google's Android platforms.

Reasons for the Acquisition

- Increased Revenues: Newzulu Mobile, with the acquisition of Octiplex, will provide bespoke mobile software engineering services to Newzulu's existing partners and clients, including media outlets and brands.
- Intellectual Property: Octiplex has developed an extensive software library allowing rapid design, development and delivery of iOS and Android apps for media companies and brands.
- Software Engineering Team: The Octiplex team bring with them extensive skills and expertise in mobile app development.
- Cost Synergies: The integration of Octiplex will reduce Newzulu's mobile development costs as previously outsourced software engineering is moved in-house.

5.3 Terms of the Agreement

Set out below is a summary of the key terms of the Agreement.

Consideration

In consideration for Newzulu SAS receiving 100% of the issued share capital in Octiplex, the Parties have agreed that the Vendor will receive on the Completion Date:

- (a) a cash payment of €362,500 to be made by Newzulu SAS; and
- (b) fully paid ordinary shares in the Company up to the value of €362,500 (**Consideration Shares**).

The number of Consideration Shares to be issued will be calculated based upon:

- (a) the volume weighted average price of Shares over the five (5) days preceding the Completion Date; and
- (b) the average exchange rate over the five (5) days preceding the Completion Date as quoted by the Company's foreign exchange financial institution.

The Consideration Shares will be subject to a 12 month voluntary escrow period.

Conditions Precedent

Completion of the Acquisition is conditional upon the satisfaction (or waiver) of a number of conditions precedent, including:

- (a) the Company successfully completing a capital raising of at least AU\$1,459,000 on the terms set out in the Agreement;
- (b) Mr Damien Gosset remaining with Octiplex and, more broadly, with the Company group following Completion;
- (c) the Company obtaining all necessary shareholder, regulatory and third party approvals.

Adjustment mechanism

The Agreement includes an adjustment mechanism for the number of Consideration Shares to be reduced depending upon the funds available to Octiplex at the Completion Date.

5.4 ASX Listing Rule 7.1

Resolution 4 seeks Shareholder approval for the issue of Consideration Shares to the Vendor to the value of €362,500 in part consideration for Newzulu SAS receiving 100% of issued share capital in Octiplex.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 4 will be to allow the Company to issue the Consideration Shares to the Vendor to the value of €362,500 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.5 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 5:

- (a) the maximum number of Shares to be issued is that number of Shares which, when multiplied by the issue price, equals up to €375,000. The exchange rate for the issue of the Shares will be the average exchange rate over the five (5) days preceding the Completion Date as quoted by the Company's foreign currency exchange financial institution (or any successor in its obligations);
- (b) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Consideration Shares will occur on the same date;

- (c) the issue price will be the volume weighted average price of Shares over the five (5) days preceding the Completion Date;
- (d) the Consideration Shares will be issued to the Vendor, who is not a related party of the Company;
- (e) the Consideration Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue as the Consideration Shares are being issued as part consideration for Newzulu SAS receiving 100% of issued share capital in Octiplex.

5.6 Dilution

The volume weighted average price of Shares over the five (5) days preceding 30 June 2015 is \$0.07. The average exchange rate over the five (5) days preceding 30 June 2015 is 1.4542.

Accordingly, set out below is a worked example of the number of Consideration Shares that may be issued under Resolution 5 based on an assumed issue price of \$0.07, \$0.08, \$0.09 and \$0.10 and assumed exchange rates of 1.4393, 1.4612 and 1.4831.

Assumed issue price	Assumed exchange rate	Maximum number of Shares which the Company could issue (rounded up to the nearest whole number) pursuant to Resolution 5	Current Shares on issue as at the date of this Notice	Increase in the number of Shares on issue assuming the Company issued the maximum amount pursuant to Resolution 5	Dilution effect on existing Shareholders
\$0.07	1.4323	7,417,514	532,005,936	1.39%	1.38%
	1.4542	7,530,471		1.42%	1.40%
	1.4760	7,643,429		1.44%	1.42%
\$0.08	1.4323	6,490,325	532,005,936	1.22%	1.21%
	1.4542	6,589,163		1.24%	1.22%
	1.4760	6,688,000		1.26%	1.24%
\$0.09	1.4323	5,769,178	532,005,936	1.08%	1.07%
	1.4542	5,857,033		1.10%	1.09%
	1.4760	5,944,889		1.12%	1.11%
\$0.10	1.4323	5,192,260	532,005,936	0.98%	0.97%
	1.4542	5,271,330		0.99%	0.98%
	1.4760	5,350,400		1.01%	1.00%

Assuming no Options are exercised or other Shares issued and the maximum number of Shares as set out in the worked example above are issued, the number of Shares on issue would increase from 532,005,936 (being the number of Shares on issue as at the date of this Notice) to 539,649,365 and the shareholding of existing Shareholders would be diluted by 1.42%.

The Company notes that the above workings are an example only and the actual issue price may differ. This will result in the maximum number of Shares to be issued and the dilution percentage to also differ.

GLOSSARY

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Blueroom Capital has the meaning given in Section 1.1.

Blueroom Loan has the meaning given in Section 1.1.

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.

Company or **Newzulu** means Newzulu Limited (ACN 078 661 444).

Completion Date means 30 September 2015.

Consideration Shares has the meaning given to it in section 5.3 of the Explanatory Statement.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Newzulu SAS means the Company's wholly owned French subsidiary Newzulu SAS (French Company Number 793 856 428)

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Octiplex means Octiplex (B 508 957 016 (RCS), an information services and technology company based in Lyon, France.

Parties means the Parties to the Agreement as set out in section 5.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a registered holder of a Share.

Vendor means Mr Damien Gosset, the sole shareholder of Octiplex

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

- (a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) The exercise price of each Option is \$0.20 (**Exercise Price**).
- (c) The Options will expire on the date that is three (3) years from their date of issue (**Expiry Date**).
- (d) The Options are exercisable at any time prior to the Expiry Date.
- (e) The Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Option being exercised.
- (f) Subject to compliance with the Corporations Act (including but not limited to section 707(3) of the Corporations Act), the Options are freely transferable in whole or in part at any time prior to the Expiry Date.
- (g) All Shares issued upon exercise of the Options will rank equally in all respects with all previously issued Shares at the time being on issue.
- (h) The Company will apply to the ASX for quotation of all Shares issued upon exercise of the Options, within the period required by ASX, if the Shares are then quoted on the ASX.
- (i) If there is any reconstruction of the issued share capital of the Company, the rights of the holder of the Options will be varied in accordance with the Listing Rules.
- (j) 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 existing Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four (4) business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (k) If the Company makes a bonus issue of Shares or other securities to Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder of the Options had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (l) If the Company makes an issue of Shares pro rata to Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price will be reduced according to the following formula:

$$\text{New Exercise Price} = \frac{O - E(P - (S + D))}{N+1}$$

O = the old Exercise Price.

E = the number of underlying Shares into which one Lender Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

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

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

- (m) Reminder notices will be forwarded to the Lender Option holders prior to the expiry of the Options. Options not exercised before the Expiry Date.
- (n) The Options will be recorded on the Company's register of securities maintained at the share registry. The register will be open for inspection by a Option holder free of charge. Shares to be allotted on exercise of Options will be recorded on the Company's share register.
- (o) The Options will not be quoted on the ASX.
- (p) The Option holder, if appearing on the Company's register of securities at the relevant date, will be entitled to receive and will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings.
- (q) In the above terms and conditions, unless the context otherwise requires, terms defined in the Corporations Act or the Listing Rules and not otherwise defined in these terms and conditions are deemed to have the meanings ascribed to them in the Corporations Act or Listing Rules (as applicable).



PROXY FORM

MR SAM SAMPLE
UNIT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE WA 6060

1. Appointment of Proxy

I/We being a member/s of Newzulu Limited hereby appoint

the Chair of
the
Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chair of the Meeting. Do not insert your own name(s).

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:30 AWST, on Friday, 31 July 2015 at The Park Business Centre, 45 Ventnor Avenue, West Perth, WA 6005, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

2. Items of Business

Please mark ☒ to indicate your voting directions.

	FOR	AGAINST	ABSTAIN
1. Ratification of Prior Issue of Shares to Blueroom Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of Prior Issue of Shares And Options to Blueroom Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of Issue of Shares to Vendor of Octiplex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority.

If two proxies are being appointed, the proportional voting rights this proxy represents is _____ %

3. Signature of Securityholder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/ Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/ Company Secretary

Contact Name

Contact Daytime Telephone

Date



HOW TO COMPLETE THE PROXY FORM

1. Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. The appointment of a second proxy must be done on a separate copy of the Proxy Form. If a member appoints two proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded.

A duly appointed proxy need not be a securityholder of the company.

2. Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with your directions. If you do not mark any of the boxes on a given item, 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.

3. Signing Instructions

You must sign this form as follows in the spaces provided:

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

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: If you have not previously lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Lodgement of a Proxy

To vote by proxy, please complete and sign this Proxy Form and return by:

- (a) Post to Newzulu Limited, C/- PO Box 356, West Perth, WA 6872; or
- (b) Facsimile to the Company on facsimile number +61 8 9321 0721; or
- (c) Email to the Company at investors@newzulu.com.

This Proxy Form (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting.

Proxy Forms received after this time will be invalid.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from the Company Secretary.