

WILD ACRE METALS LIMITED
ACN 125 167 133
(to be renamed Nuheara Limited)

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at
The Richardson Hotel
Board Room 1, Level 1, 32 Richardson Street, West Perth
on Friday, 11 September 2015 at 10.00am (WST)

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (08) 9226 0085.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

WILD ACRE METALS LIMITED

A C N 125 167 133

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of Wild Acre Metals Limited (**Company**) will be held at The Richardson Hotel, Board Room 1, Level 1, 32 Richardson Street, West Perth, Western Australia on Friday, 11 September 2015 at 10.00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on Wednesday, 9 September 2015 at 10.00am (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 - Approval to change in nature and scale of activities

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

"That, subject to each of the other Acquisition Resolutions being passed, pursuant to and in accordance with Listing Rule 11.1.2 and for all other purposes, approval is given for the Company:

- (a) *to make a significant change to the nature and scale of its activities resulting from the Acquisition on the terms and conditions set out in the Explanatory Memorandum; and*
- (b) *to issue the Capital Raising Shares at an issue price of \$0.02 per Share."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who might receive 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 will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 - Approval to issue Consideration Shares

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

"That, subject to each of the other Acquisition Resolutions being passed and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 130,000,000 Shares (Consideration Shares) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and any 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.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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 - Approval to issue Facilitator Shares

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

"That, subject to each of the other Acquisition Resolutions being passed and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 24,802,321 Shares (Facilitator Shares) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Inkling Capital Pty Ltd and any of its associates, including Dr Michael Ottaviano.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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 to issue Management Options

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

"That, subject to each of the other Acquisition Resolutions being passed and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 20,000,000 Options (Management Options) with an exercise

price of \$0.03 each on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Justin Miller and Mr David Cannington and any of their associates.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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 to issue Capital Raising Shares

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

"That, subject to each of the other Acquisition Resolutions being passed and pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 250,000,000 Shares at \$0.02 each on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and any 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.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chairman 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.

6. Resolution 6 - Approval of change of Company name

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

"That, subject to each of the other Acquisition Resolutions being passed and pursuant to and in accordance with section 157 of the Corporations Act and for all other purposes, the name of the Company be changed to 'Nuheara Limited' with effect from the date that ASIC alters the details of the Company's registration."

7. Resolution 7 - Election of Director - Dr Michael Ottaviano

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

"That, subject to each of the other Acquisition Resolutions being passed and completion of the Acquisition, Dr Michael Ottaviano be elected as a Director."

8. Resolution 8 - Election of Director - Mr Justin Miller

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

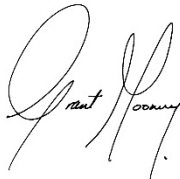
"That, subject to each of the other Acquisition Resolutions being passed and completion of the Acquisition, Mr Justin Miller be elected as a Director."

9. Resolution 9 - Election of Director - Mr David Cannington

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

"That, subject to each of the other Acquisition Resolutions being passed and completion of the Acquisition, Mr David Cannington be elected as a Director."

BY ORDER OF THE BOARD



Grant Mooney
Company Secretary

Dated: 10 August 2015

WILD ACRE METALS LIMITED

ACN 125 167 133

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Richardson Hotel, Board Room 1, Level 1, 32 Richardson Street, West Perth, Western Australia, on Friday, 11 September 2015 at 10.00am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Conditional Resolutions
Section 4:	Background to the proposed acquisition of Nuheara
Section 5:	Risks associated with the Acquisition
Section 6:	Directors' recommendation
Section 7:	Resolution 1 - Approval to change in nature and scale of activities
Section 8:	Resolution 2 - Approval to issue Consideration Shares
Section 9:	Resolution 3 - Approval to issue Facilitator Shares
Section 10:	Resolution 4 - Approval to issue Management Options
Section 11:	Resolution 5 - Approval to issue Capital Raising Shares
Section 12:	Resolution 6 - Approval of Change of Company Name
Section 13:	Resolutions 7, 8 and 9 - Election of Directors - Dr Ottaviano, and Messrs Miller and Cannington
Schedule 1:	Definitions
Schedule 2:	Pro forma Balance Sheet
Schedule 3:	Terms and Conditions of Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

The Chair intends to exercise all available proxies in favour of all Resolutions.

3. Conditional Resolutions

The Acquisition Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the Meeting. If any of the Acquisition Resolutions are not approved at the Meeting, none of the Acquisition Resolutions will take effect and the Acquisition Agreement and other matters contemplated by the Acquisition Resolutions will not be completed.

4. Background to the proposed acquisition of Nuheara

4.1 Existing activities of the Company

Wild Acre was incorporated on 1 May 2007 and admitted to the official list on 5 March 2010. The Company's most recent primary activity has been mineral exploration.

Since incorporation, the Company has been focused on mineral exploration for gold and base metals in Australia and Peru. Its principle exploration assets are the Mt Ida gold and nickel project in Western Australia and the Sambalay high grade silver-gold project in Southern Peru. The Company also retains a 0.5% net smelter royalty over the El Molino Gold Project and part of the El Galeno Copper Project located in Northern Peru, currently owned under joint venture by China Minmetals Corporation and Jiangxi Copper Corporation.

On 26 May 2014, the Company entered into an option agreement with Teck Resources Limited (Teck) to acquire the Salvador Project in Southern Peru (**Option Agreement**). This Option Agreement was terminated on 26 May 2015 and the Company is currently

in discussions with Teck regarding revised terms for a potential acquisition of the Salvador Project.

4.2 Change in the nature and scale of the Company's activities

As announced on 18 May 2015, the Company has entered into a conditional binding terms sheet with the shareholders of Nuheara Pty Ltd (**Nuheara**) to acquire 100% of the issued share capital of Nuheara (**Acquisition**), which was amended and restated on or about 30 June 2015 (together, the **Acquisition Agreement**).

Nuheara is developing proprietary hardware and software to deliver multi-functional audio Wearable technology that augments a user's hearing and facilitates cable-free connection to smart devices.

As the Acquisition comprises a significant change in the nature of the Company's activities, Resolution 1 seeks Shareholder approval for a change in the nature and scale of the activities of the Company.

The Company proposes to, subject to the receipt of Shareholders' approval of the Acquisition Resolutions and the terms of the Acquisition Agreement (including the conditions precedent summarised in Section 4.4 below):

- (a) proceed to Completion of the Acquisition Agreement, pursuant to which the Company will issue:
 - (i) 130,000,000 Shares (**Consideration Shares**) to Nuheara Shareholders in consideration for 100% of the issued shares of Nuheara (Resolution 2);
 - (ii) 24,802,321 Shares (**Facilitator Shares**) to Dr Michael Ottaviano (Resolution 3); and
 - (iii) 20,000,000 Options (**Management Options**) to Mr Justin Miller and Mr David Cannington (Resolution 4);
- (b) raise up to \$5,000,000 via an offer under a prospectus (**Prospectus**) by the issue of up to 250,000,000 Shares at \$0.02 each (Resolution 5);
- (c) change the Company's name to 'Nuheara Limited' with effect from the date that ASIC alters the details of the Company's registration (Resolution 6); and
- (d) appoint Dr Ottaviano, and Messrs Miller and Cannington to the Board (Resolutions 7, 8 and 9).

Other information considered material to the Shareholders' decision on whether to pass the Resolutions is set out in this Explanatory Memorandum, and Shareholders are advised to read this information carefully.

4.3 About Nuheara Pty Ltd

(a) Background to Nuheara

Nuheara was founded to change the way consumers listen, communicate and connect to their digital and physical world, or more specifically, to allow a user to hear what they want to hear, when they want to hear it - intelligent hearing.

The co-founders have over 50 combined years of experience commercialising hearing technology devices and represent world-class audio technologists and experienced global business executives.

At the heart of its business, Nuheara is building a proprietary hearing technology platform that combines unique hearing intelligence software with spatial directionality and placement, Bluetooth connectivity and app software components. Nuheara plans to realise this platform in two stylish Hearables (ear buds), empowered by a smart phone app and accompanied by a small convenient charging case, Nuheara's intelligent hearing solution allows the user to control, either individually or in combination, the connection of the ear buds to compatible:

- (i) entertainment devices;
- (ii) Internet of Things; and
- (iii) communication devices such as smartphones,

with the ability to control and mix these digital devices' audio with hearing awareness for a range of day-to-day consumer situations.

(b) **Nuheara Team**

Nuheara has assembled a highly connected team of experts to deliver the next evolution in Wearables.

(i) *Justin Miller* (Co-Founder and Chief Executive Officer)

Mr Miller is a serial entrepreneur who has developed a thorough knowledge of the global technology and innovation marketplace during his 25-year executive career. Throughout the course of his career, Justin has successfully founded and managed the aggressive and profitable growth of technology, manufacturing and service related companies. This includes strategic acquisitions, capital raisings, research & development, product development & onshore/offshore manufacture, significant staff growth and multi-million dollar sales deals involving both direct & channel sales models. Justin founded ASX-listed IT services company Empired and most recently was the founder and CEO of industrial hearing and communication company, Sensear Pty Ltd, where he was responsible for growing the global business from the San Francisco bay area.

(ii) *David Cannington* (Co-Founder and Director of Marketing)

Mr Cannington has over 25 years' global sales and marketing experience. He has held senior positions in sales and marketing for companies spanning consumer packaged goods (Cadbury Schweppes), advertising (McCann Erickson) data analytics (Neochange) and hearing technology (Sensear). He has advised many startups on go-to-market and growth strategies and was the founding CEO of ANZA Technology Network, a leading cross-pacific technology entrepreneurs network. David has been recognised as one of the most influential Australian technology executives in Silicon Valley and brings a global perspective to technology commercialisation.

(iii) *Professor Sven Nordholm (Co-Founder)*

Professor Nordholm (SM IEEE) received a Ph.D. degree in Signal Processing from Lund University, Sweden in 1992. Since 1999, he has been a full professor at Curtin University, Perth, Australia, and founding member of Hearmore and Sensear Pty Ltd. His research activities over the past 30 years focus on signal processing and communication in acoustic media and speech processing. He is the holder of 7 patents and has contributed more than 200 technical papers. Professor Nordholm was the technology inventor and co-founder of Sensear Pty Ltd in 2006. He was a 2012 Eureka finalist and is a member of the IEEE SPS Technical Committee on Audio and Acoustic Signal Processing.

(iv) *Professor Kevin Fynn (Co-Founder)*

Kevin Fynn is Professor and Head of the School of Electrical Engineering and Computing at Curtin University of Technology. Professor Fynn is a distinguished research engineer, engineering manager, and electrical engineering practitioner. He has been closely associated with industry and engineering research and development for over 25 years, and has an outstanding record of design leadership and of building major research and development facilities. As director of the Western Australian Telecommunications Research Institute (**Institute**) he was responsible for its overall strategic direction and its corporate performance. At an operational level, he was responsible for commercialisation and management functions. His success in running a commercially focused centre is evidenced by the funding the Institute received including: Cooperative-Research Centres, WA State Government Centres of Excellence in Industry Focused Research, an AusIndustry Technology Diffusion grant, ARC grant funding, and industry consultancies. Kevin has 8 patent registrations and over 50 publications in diverse fields in electrical engineering. His commercial experience includes providing technology systems and services to the resources industry, establishing strategic relationships with leading information communication technology corporations, and being involved in numerous industry projects including international companies such as Boeing (USA). He is the co-founder of Xelor, Sensear Pty Ltd., TheBuzz Corp Pty Ltd., Hearmore Pty Ltd and MobiRoam Pty Ltd.

(c) **Product & Technology Development**

Integral to Nuheara's design, is the development of new hardware platforms, software, processing techniques and intellectual property for intelligent hearing with communication capabilities, which will be specifically engineered for a range of consumer or socially focused environments. With ongoing research and development this will include processing techniques designed to blend a user's listening and entertainment and provide communication capabilities, as well as a user's ability to spatially control the placement of varying audio streams or inputs.

Nuheara proposes to combine and integrate a number of technology features into their ear-bud product, namely:

- (i) a noise cancelling headset;

- (ii) Bluetooth connectivity for entertainment and communications;
- (iii) assisted listening;
- (iv) interconnectivity with 'Smart' devices; and
- (v) spatial placement of audio streams.

The Nuheara proposed product portfolio (**Product Portfolio**) will consist of the following components:

- (i) 2 x Hearables (ear-buds);
- (ii) carrying case/charging unit; and
- (iii) Nuheara app (Mobile platforms).



It is envisaged that once Nuheara's audio wearable device (ear-bud) is complete, a Nuheara-provided software development kit will allow third party app developers with the ability to deliver software solutions such as voice recognition on a range of smart devices, and Internet of Things platforms.

(d) **Nuheara Business Model**

(i) **Nuheara Market Positioning**

With the recent launch of the Apple Watch, the successful initial public offering of Fitbit and the development of other consumer and enterprise facing hardware devices, the Wearables (body-borne computers) market is forecast to substantially increase in the next three years.

A new forecast from the International Data Corporation Worldwide Quarterly Wearable Device Tracker estimates that 72.1 million Wearable devices will be shipped in 2015, up 173.3% from the 26.4 million units shipped in 2014. Shipment volumes are expected to experience a compound annual growth rate of 42.6% over the five-year forecast period, reaching 155.7 million units shipped in 2019.

As Wearable technology evolves from the wrist to clothing and other parts of the body, the Hearables (Audio Wearables for the ear) segment has been forecast to grow at a similar rate.

This is highlighted via:

- (A) a recent report titled "*The Market for Smart Wearable Technology*" produced by Nick Hunn: Hearables are predicted to be worth \$5 billion by 2018;
- (B) Nuheara's intended multi-functionality which is expected to impact the \$5.5 billion per annum hearing aid market and the \$8 billion per annum headphone market; and

- (C) voice recognition technologies becoming more mainstream with consumer adoption of personal digital assistants such as SIRI, Google Now and voice-enabled apps. According to Readwrite, a leading Silicon Valley media company, *"voice features are the 'it' trend in consumer technology."*

Nuheara is poised to capitalise on the intersection of these high growth markets by commercializing the world's most intelligent Hearables (ear buds) technology that allows consumers to control what they want to hear. Nuheara was founded to change the way consumers listen, communicate and connect to their digital and physical world.

At the heart of its business, Nuheara is building a proprietary hearing technology platform that combines unique hearing intelligence software with spatial directionality and placement, Bluetooth connectivity and app software components. Embedded in two stylish hearables (ear buds), empowered by a smart phone app and accompanied by a small convenient charging case, Nuheara's intelligent hearing solution represents a new way to listen, communicate and connect.

Nuheara is taking an innovative approach to consumer hearing technology. By evaluating what was happening in the headphone market, the Bluetooth earpiece market and the hearing aid markets Nuheara concluded that it could build something unique for the growing Wearable's consumer market.

Nuheara plans to provide the consumer with a product which will be like using an assisted listening device, a Bluetooth earplug and a noise-cancelling headset all in the one product. The real benefit of Nuheara is that it will give the consumer the control to orchestrate their hearing experience via the Nuheara app and with the tap touch functionality on the Hearable.

With so many demands on consumers' hearing, Nuheara's goal is to allow consumers to seamlessly listen, communicate and connect to their digital and physical worlds with one smart hearable device.

Nuheara's early adopters will be the 50+ million consumers (predominantly in North America and Australia) who experience some hearing issues in certain day-to-day environments but have not been diagnosed with a hearing disorder, and who would like a cool looking device that enables them to augment their hearing and allows them to connect to their digital world.

Nuheara will also attempt to tap into the massive consumer market of headset and earpiece users who are looking for the latest wireless hearing technology to enhance their connected lifestyle.

(ii) Opportunity

The opportunity for Nuheara to build a significant business can be summarised as follows:

- (A) the Wearables market is projected to rapidly grow over the next 5 years with many industry research bodies predicting strong consumer and enterprise adoption;

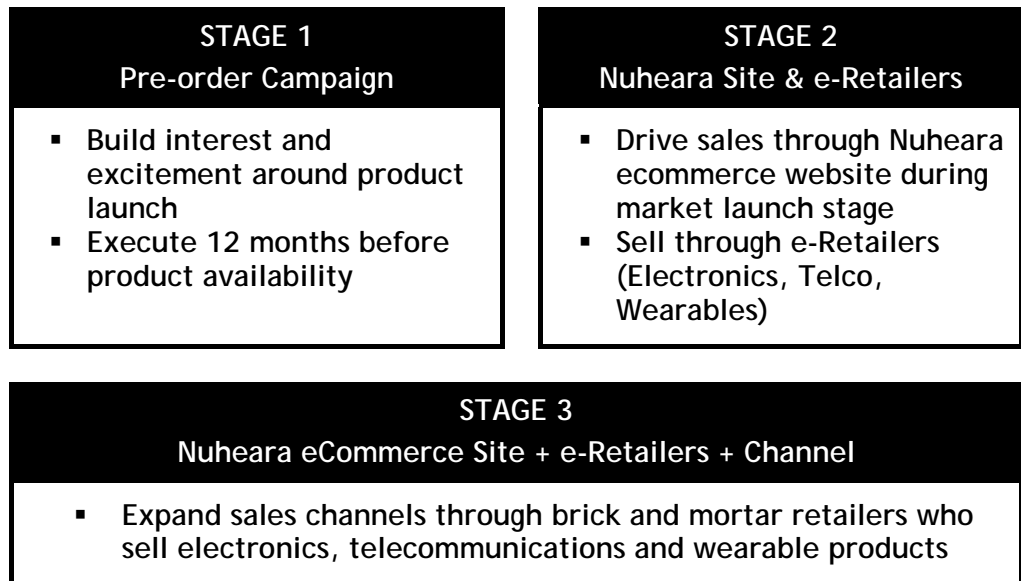
- (B) Wearables innovation is expected to move from the wrist to other parts of the body including the ear (i.e. Hearables) which alone is predicted to be a \$5 billion business by 2018;
- (C) hearing loss impacts approximately 50 million people in the USA and Australia so Nuheara's target early adopter customer base is significant;
- (D) it is anticipated that approximately 2.56 billion smartphones will be in circulation by 2018 and many consumers will require a hearing device to connect to their smartphone;
- (E) Nuheara's opportunity is global in scale and not restricted to any particular geography. Nuheara has the added benefit of its co-founders being co-located in Australia and the USA;
- (F) the hearing aid market is valued at US\$5 billion per annum but with high price points and legacy distribution channels it is ripe for disruption for those consumers who have not been diagnosed with a hearing disorder but are seeking some hearing assistance for certain day-to-day environments;
- (G) technology adoption is moving rapidly to a voice-enabled world where consumers interact with their smart devices with their voice - Nuheara is placed to be one of the best of breed hearing platforms to enable this adoption;
- (H) Nuheara's aim is to make its Hearables the platform of choice for the world's voice enabled software developers. Nuheara expects to release a software development kit to third party app developers. For example, this could include Hearable apps such as:
 - (1) translating languages on the fly; and
 - (2) personal tour or sightseeing guides;
- (I) the technology team at Nuheara are world class audio digital signal processing technologists and have a proven background in inventing and building complex audio technology devices; and
- (J) the co-founders of Nuheara have a history of building global technology companies and this is the second hearing technology business they have commercialised and taken global.

(e) **Business Model**

(i) **Consumer Product**

Nuheara plans to build out its business model with a staged consumer-facing product go-to-market approach.

NUHEARA BUSINESS MODEL



Nuheara has proposed a staged approach to their consumer product market entry:

Stage One - Direct-to-consumer, pre-order campaign commencing 12 months before product availability. Product availability is anticipated to be at the end of 2016. Other Wearable and Hearable device companies have had considerable success in utilising pre-order campaigns. With the right planning, Nuheara has the potential to also exploit this go-to-market strategy.

Stage Two - Product launch campaign via Nuheara website and potential e-retailers such as electronic, telecommunication and wearable product e-retailers anticipated to commence three months prior to product availability. While Wearables are relatively new to the broader retail market, it is significant to note that a number of e-retailers already have a classification for "Wearables" within their product categories.

Stage Three - Selling through leading brick and mortar retailers who sell electronic, telecommunication and wearable products anticipated to commence within the first 12 months of product availability.

(ii) Enterprise/Commercial Applications

Although enterprise applications will not be the primary focus of the business model, Nuheara can be opportunistic in its consideration of commercial applications.

As enterprises that rely on mobile communication move to hands-free applications, Nuheara's innovative "hands-free, voice enabled" product capability will be attractive to workers with these requirements.

(iii) **The Platform**

Nuheara plans to open up its application programming interface to developers around the globe who are building speech recognition solutions for the voice-enabled world. These applications will be both consumer and enterprise solutions.

It is foreseeable that Nuheara will develop partnerships with speech recognition software developers who are looking to deliver their solutions on a best-of-breed hearing platform like Nuheara.

(f) **Revenue Model**

The proposed revenue for Nuheara will be driven primarily by the sales of the Product Portfolio which is expected to be sold at less than US\$500 per unit.

Additional revenue streams include:

- (i) sales for enterprise applications; and
- (ii) licensing by software partners.

(g) **Marketing Strategy**

(i) **Positioning**

Nuheara will be positioned as an innovative intelligent hearing device that allows consumers to hear what they want to hear. The unique proposition is that Nuheara enables consumers to listen, communicate and connect to their digital and physical world with two stylish Hearables (ear-buds) with no wires.

(ii) **Target Audience**

- (A) *Primary* - men over the age of 35 who are looking to connect to digital devices and may also have some difficulty in hearing in certain day-to-day situations (but have not been diagnosed with a hearing disorder).
- (B) *Secondary* - people aged 25-55 who are looking for an innovative hearable device that allows them to connect to their digital world.

(iii) **Advertising/Promotion**

Nuheara will be using the following strategic marketing channels to drive consumer awareness and trial:

- (A) Social Media Advertising - Facebook, Twitter and LinkedIn;
- (B) Public Relations - strategically timed for the pre-order launch and product launch; and
- (C) Trade Shows - Consumer Electrics Show, Mobile Congress and other Wearables, telecommunication and electronic trade shows.

(h) **Partnerships**

Nuheara has established partnerships with leading organisations to support its successful commercialisation.

(i) **Curtin University**

Nuheara has partnered with Curtin University of Technology in Western Australia (**Curtin**) which has a proven background in research, development and testing of advanced audio digital signal processing technologies. Curtin seeks to join a collaborative research and development effort with Nuheara to deliver new processing techniques and intellectual property for intelligent hearing with communication capabilities for a range of consumer applications. The two Curtin-based co-founders (Professor Sven Nordham and Professor Kevin Fynn) will be instrumental in maximising the extraordinary capabilities of Curtin in building Nuheara's intellectual property.

Nuheara and Curtin have entered into a letter of intent (**Letter of Intent**). The main terms of the Letter of Intent include:

- (A) Nuheara shall fund post-doctorate positions (representative of an input of 24 person-months);
- (B) subject to conditions, Nuheara shall pay a royalty to Curtin on revenue directly associated with any product generated from the research project, to a total of \$1 million, for the design, testing and delivery of suitable processing techniques to support Nuheara's wearable device; and
- (C) Nuheara shall grant Curtin a licence to use the intellectual property resulting from the research for non-commercial purposes.

In return, Nuheara shall receive from Curtin:

- (A) Professor Sven Nordham and Professor Kevin Fynn to supervise the research project;
- (B) 100% ownership of any intellectual property developed resulting from the research project; and
- (C) design, development and testing of processing techniques developed.

Nuheara and Curtin are currently negotiating a formal agreement to govern the partnership based on the Letter of Intent (**Curtin Agreement**). The agreement and execution of the Curtin Agreement remains as a condition precedent to the Acquisition. Please refer to Section 5.2(a)(v) in relation to the risks associated with the agreement and execution of the Curtin Agreement.

(ii) **Wearable World**

Nuheara has also partnered with Wearable World Inc. (**Wearable World**) (www.wearableworld.co), the world's leading incubator of Wearables technology companies based in San Francisco, to assist with Nuheara's market development program. Wearable World has been instrumental in incubating

over 50 Wearable technology companies over the last two years. Nuheara is already working closely with Wearable World via USA-based co-founder David Cannington. The agreement with Wearable World expires in March 2016, but Nuheara expects to renew the arrangements. Wearable World is a Nuheara Shareholder.

(i) **Financial History**

Nuheara is a start-up company with a presence in Perth, Australia and San Francisco, USA. Nuheara was incorporated in Australia in May 2015 and prior to this was run as a private research project. Accordingly Nuheara has a limited trading history. Nuheara's activities since incorporation have predominantly involved hardware and software research & development, industrial design, development of a technology & product roadmap, and extensive market analysis and strategic business planning.

Nuheara is yet to receive any revenue and given that its business is at an early stage of development (start-up), it is difficult to make an evaluation of Nuheara's business or its prospects. Accordingly, the Company can provide no assurance that it will achieve commercial viability through the acquisition of Nuheara and the implementation of its business plan.

(j) **Intellectual Property**

(i) Trademarks

Nuheara has applied for the following trademark in order to provide itself with an exclusive right to use the brand in the marketplace:

Australian Trade Mark Application No. 1702493
Mark: NUHEARA
Class: 09
Applicant: Nuheara Pty Ltd

(ii) Patents

Nuheara's intellectual property currently consists of trademarks and trade secrets. However, as a result of its ongoing development process, Nuheara is expecting to finalise and lodge any patent applications prior to pilot production runs in 2016. As mentioned above, Nuheara has entered into a partnership with Curtin which has a proven background in research, development and testing of advanced audio digital signal processing technologies. This collaborative research and development effort with Curtin will deliver new processing techniques and intellectual property for intelligent hearing, with communication capabilities, for a range of consumer applications. Nuheara retains 100% ownership rights to any co-developed intellectual property which will be subject to the terms of the Curtin Agreement once executed. Please refer to Section 5.2(a)(v) in relation to the risks associated with the Curtin Agreement.

The key terms of the Acquisition Agreement are as follows:

4.4 Conditions Precedent

Completion of the Acquisition is subject to, amongst other things, the satisfaction or waiver by the parties of the following outstanding conditions:

- (a) **(Regulatory Approvals)** the Company obtaining:
 - (i) all regulatory approvals (as required) in order to undertake the Acquisition; and
 - (ii) "in principle" approval from ASX for the reinstatement of the Company's securities to official quotation following Completion;
- (b) **(Audited Accounts)** Nuheara preparing audited accounts (if required);
- (c) **(Capital Raising)** the Company completing the Capital Raising;
- (d) **(Employment Agreements)** executed employment agreements with each of Justin Miller and David Cannington and any other necessary employment and/or service agreements;
- (e) **(Restriction agreements)** to the extent required by ASX or the Listing Rules, each Nuheara Shareholder entering into a restriction agreement as required by ASX imposing such restrictions on trading of those securities as mandated by the Listing Rules;
- (f) **(Firm commitments)** prior to the Meeting, there being sufficient commitments from investors to complete the Capital Raising;
- (g) **(Shareholder approval)** Shareholders approving each of the Acquisition Resolutions; and
- (h) **(Curtin Agreement and Intellectual Property)** executed Curtin Agreement (in a form satisfactory to the Company) and the Company being satisfied with Nuheara's intellectual property rights and that there are no legal impediments to conduct its business.

If any of the conditions precedent are not satisfied within 90 days of the date of the Acquisition Agreement (or such later date as the parties may agree in writing), then the Company, Nuheara or the Nuheara Shareholders may terminate the Acquisition Agreement by the provision of written notice to the other parties.

4.5 Board of Directors

The Board currently comprises:

- (a) Mr Grant Mooney (Chairman);
- (b) Mr William Richard Brown (Non-Executive Director); and
- (c) Mr Jeffery Moore (Non-Executive Director).

Mr Brown and Mr Moore shall resign at Completion. It is intended that Mr Mooney will remain as a Director and will continue as Company Secretary.

Mr Miller and Mr Cannington will be appointed as executive Directors on and from Completion. Dr Ottaviano will be appointed as a non-executive Director on and from Completion.

See Section 13 for further information on the proposed Directors.

4.6 Proposed changes to senior management

On and from Completion, Professor Sven Nordholm and Professor Kevin Fynn will form part of the management and development team of the Company.

4.7 Capital Raising

As set out in Section 4.4(b) above, one of the conditions precedent to Completion is the completion of the Capital Raising (the subject of Resolution 5).

The Company has applied to ASX for, and has received, a waiver from Listing Rule 2.1 Condition 2 to allow the Company to offer the Capital Raising Shares for \$0.02 each.

4.8 Management Options

The Company has applied to ASX for, and has received, a waiver from Listing Rule 1.1 Condition 11 to allow the Company to offer the Management Options at an exercise price of \$0.03 each and expiring three years from the issue date.

4.9 Pro forma balance sheet

A pro forma balance sheet for the Company is included in Schedule 2.

4.10 Pro forma capital structure

The pro forma capital structure of the Company following completion of the Acquisition and the Capital Raising is set out below:

	Shares	Options
Existing issued securities ¹	175,895,292	20,719,445 ²
Consideration securities (Resolutions 2 and 4)	130,000,000	20,000,000
Facilitator shares (Resolution 3)	24,802,321	-
Capital Raising Shares - (Resolution 5)		
• Minimum Capital Raising (\$3,000,000)	150,000,000	
• Maximum Capital Raising (\$5,000,000)	250,000,000	
Total:		
• Minimum Capital Raising (\$3,000,000)	480,697,613	40,719,445
• Maximum Capital Raising (\$5,000,000)	580,697,613	40,719,445

Notes:

1. Assumes no further Securities are issued prior to Completion, other than as set out in the table and that the shortfall under the rights issue has been allocated.
2. The unquoted Options consist of:
 - (i) 2,000,000 unquoted Options exercisable at \$0.20 each and expiring 28 October 2016;
 - (ii) 7,900,000 unquoted Options exercisable at \$0.15 each and expiring 31 January 2017;
 - (iii) 2,000,000 unquoted Options exercisable at \$0.10 each and expiring 27 May 2017;
 - (iv) 8,319,445 unquoted Options exercisable at \$0.10 each and expiring 15 September 2017; and
 - (v) 500,000 unquoted Options exercisable at \$0.10 each and expiring 18 November 2017.

The above table is a statement of current intentions as at the date of this Notice and is subject to change.

4.11 Proposed budget

The Company has current cash reserves of approximately \$250,000 as at the date of this Notice.

The Company intends to apply the current cash reserves as follows over the next two years, which when aggregated with the proposed Capital Raising funds existing, cash reserves respectively would give a total of \$5,250,000:

Item	Minimum Capital Raising (\$3,000,000) plus existing cash	Maximum Capital Raising (\$5,000,000) plus existing cash
Existing cash	\$250,000	\$250,000
Proceeds from Capital Raising	\$3,000,000	\$5,000,000
Total cash on completion of re-compliance	\$3,250,000	\$5,250,000
Use of funds		
Engineering, research & development	\$775,000	\$1,250,000
Sales & marketing	\$900,000	\$1,450,000
Intellectual property protection	\$150,000	\$250,000
Prototyping, product development & certification	\$385,000	\$625,000
Corporate & administration	\$400,000	\$650,000
Working capital and existing activities	\$390,000	\$625,000
Costs associated with the Acquisition and the Capital Raising	\$250,000	\$400,000
TOTAL	\$3,250,000	\$5,250,000

Note: The Directors reserve the discretion to modify the Capital Raising and the above table. The above table is a statement of current intentions as at the date of this Notice. Intervening events may alter the way funds are ultimately applied by the Company.

4.12 Anticipated timetable for the key business the subject of the Resolutions

Event	Indicative Timing
Lodgement of Prospectus and Prospectus offers anticipated to open	21 August 2015
Shares suspended from official ASX quotation Meeting ASX notified whether Shareholders' approval has been granted for the Resolutions	11 September 2015
Prospectus offers close	14 September 2015
Issue date	21 September 2015
Subject to Directors' satisfaction that the conditions precedent in Acquisition Agreement are satisfied (or waived), Completion of the Acquisition Agreement	21 September 2015
Commencement of trading of Shares on ASX (subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules and subject to ASX agreeing to reinstate the Company's Shares to quotation)	24 September 2015

Note: The Directors reserve the right to change the above indicative timetable without requiring any disclosure to Shareholders or Optionholders.

4.13 Board intentions if Completion occurs

In the event that the conditions precedent to the Acquisition are satisfied (including successful completion of the Capital Raising), the funds raised from the Capital Raising, together with the Company's existing cash reserves will be used to:

- (a) advance development of the Nuheara business;
- (b) meet the ongoing administration costs of the Company;
- (c) pay the costs of the Capital Raising and Acquisition; and
- (d) otherwise contribute to the working capital of the Company.

It is intended to allocate the funds raised from the Capital Raising and existing cash reserves as set out in Section 4.11 above.

4.14 Advantages of the proposals in the Resolutions

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on each Resolution:

- (a) the Acquisition represents a significant opportunity for the Company to increase the scale of its activities which should increase the number and size of the investor pool that may invest in the Company's Shares;

- (b) the Acquisition provides an opportunity for the Company to diversify its interests to include Nuheara, which is developing Wearable Hearable technology;
- (c) the Acquisition provides the Company with the opportunity to increase the value of the Company; and
- (d) the Company may be able to raise further funds at higher prices by way of share equity as a result of the Acquisition.

4.15 Disadvantages of the proposals in the Resolutions

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on each Resolution:

- (a) the Company will be changing the nature and scale of its activities to become a company focused on Wearables technology, as referred to above, which may not be consistent with the objectives of all Shareholders;
- (b) the Acquisition and the Capital Raising will result in the issue of Shares to the Nuheara Shareholders and new investors, which will have a dilutionary effect on the holdings of Shareholders; and
- (c) there are inherent risks associated with the change in nature of the Company's activities. Some of these risks are summarised in Section 5 below.

4.16 Plans for the Company if the Resolutions are not passed

If the Resolutions are not passed and the Acquisition is not completed, the Company will continue to develop its existing business and look for potential projects in order to continue to take the Company forward.

4.17 Directors' interests in the Acquisition

None of the Company's existing Directors have any interest in the proposed Acquisition pursuant to the Acquisition Agreement, other than as disclosed in this Notice.

5. Risks associated with the Acquisition

Shareholders should be aware that if the proposed Acquisition is approved, the Company will be changing the nature and scale of its activities. Based on the information available, a non-exhaustive list of risk factors is as follows:

5.1 Risks relating to the Change in Nature and Scale of Activities

(a) Reinstatement of securities to quotation on ASX

The acquisition of Nuheara constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the official list of ASX.

There is a risk that the Company may not be able to meet the requirements of ASX for re-quotation of its Shares and Options. Should this occur, the Shares and quoted Options will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented

from trading their Shares and quoted Options should the Company be suspended until such time as it does re-comply with the Listing Rules.

(b) **Dilution risk**

The Company currently has 175, 895, 292 Shares on issue. On completion of the Acquisition, the Company proposes to issue Shares and Options as required pursuant to the Acquisition Agreement and issue Shares as part of the Capital Raising.

On issue of the consideration under the Acquisition and the subscription of the Shares under the Capital Raising (assuming no Options are exercised), the existing Shareholders will retain approximately 30% of the issued capital of the Company, with the Nuheara Shareholders holding 22%, Dr Michael Ottaviano holding 4.3%, and the investors under the Capital Raising holding 43%.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the business.

(c) **Liquidity risk**

The Securities issued to the Nuheara Shareholders in accordance with the Acquisition Agreement will be subject to escrow restrictions in accordance with Chapter 9 of the Listing Rules.

This could be considered an increased liquidity risk as a large portion of issued capital may not be able to be traded freely for a period of time.

(d) **Contractual risk**

Pursuant to the Acquisition Agreement (summarised above) the Company has agreed to acquire 100% of the issued share capital of Nuheara subject to the fulfilment of certain conditions precedent.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreement. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

5.2 Risks specific to the Company

(a) **Acquisition of Nuheara**

There are a number of specific risks involved for the Company, and consequently its Shareholders, in the acquisition of Nuheara, including risks specific to the business and assets of Nuheara, which include the following non-exhaustive list:

(i) **Limited trading history**

Nuheara is a start-up company with a very limited trading history. Nuheara is still in the development phase of both its software and hardware and is yet to reach the commercialisation phase of the business cycle. Accordingly no assurance can be given that Nuheara

will achieve commercial viability through the implementation of its business plan.

(ii) **Technology and product development**

(A) **Viable Productisation**

Risks are involved in the ability to translate the developed ideas, research, design and technologies into a solution that provides adequate hearing performance across a range of digital and physical inputs and environments. The main factors that introduce risk are software design and optimisation needed to minimise power consumption and also acceptable levels of spatial awareness and placement without a cabled connection. Nuheara's proposed products are highly compact and worn on the body. Risks are present to package the necessary hardware into the form factor required while meeting regulatory and performance requirements.

(B) **Time-To-Market (TTM)**

Nuheara, having set a rigorous product development and commercialisation timeline of 18 months, is confident in abilities and experience to deliver. Notwithstanding this, there are some risks in Nuheara's planned TTM in addition to risks associated with "Viable Productisation"; these include contracting and "bringing up" a suitably qualified and experienced contract manufacturer. As a consequence of any delay in TTM, Nuheara could experience an adverse effect on revenue and associated added cost in bringing product to market.

(iii) **Patent rights**

Nuheara has undertaken research into the potential for patenting its technologies but has yet to pursue lodgement of any patents. While Nuheara does expect to lodge patents related to its products and technologies, the prospect of attaining patent protection by Nuheara is highly uncertain, complex and takes considerable time. Accordingly there is some risk that Nuheara may not succeed in obtaining certain patents, or still in the event that it does, there is some risk that its patents could be partially or wholly invalidated following challenges by third parties.

The granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop competing intellectual property that circumvents such patents. Nuheara's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties.

As an alternative to patents, Nuheara may choose other forms of intellectual property protection including:

(A) **further trademarks;**

- (B) copyrights for software source code and technical documentation; and
- (C) trade secrets.

(iv) **Nuheara's intellectual property**

Nuheara may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement or to establish validity of its rights. Any litigation, whether or not successful, could result in significant expense to Nuheara and cause a distraction to management. In addition, unauthorised use of the Nuheara brand in counterfeit products may result in potential revenue loss and have an adverse impact on Nuheara's brand value and perceptions of its product qualities.

Although Nuheara has advised the Company that it is not aware of any third party interests in relation to the intellectual property rights of its intellectual property, and has taken steps to protect and confirm its interest in these rights, there is always a risk of third parties alleging that their intellectual property rights have been infringed. If such a claim were to arise, it could adversely affect the Company.

(v) **Partnerships**

Whilst the current intention is for Nuheara to formalise the Curtin Agreement with Curtin, there are no assurances that the Curtin Agreement will be agreed between the parties. In this instance, Nuheara will need to explore other avenues and potential partnerships for developing the Product Portfolio. Further, if the Curtin Agreement is not agreed, there is a risk that the use of Curtin's current employees that would have been assigned under the Curtin Agreement (including Professor Sven Nordholm and Professor Kevin Fynn) will no longer be available to Nuheara and Nuheara will then need to explore other alternatives. Nuheara has advised the Company that development of the Product Portfolio can be done without Curtin (or its employees) as a partner.

(b) **Regulatory risks**

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Company's ability to operate in the future will depend in part on whether it is able to effectively commercialise its potential interests in products. This will depend on successful completion of product development activities, obtaining regulatory approval and on there being commercial demand for such products which cannot be guaranteed.

5.3 Industry specific risks

(a) Competition

Nuheara is confident that its product development will provide a unique offering in the Australian and global marketplace. However, the Wearables market is undergoing rapid growth with the expected entrance into hearing-related Wearables from new and existing Wearable- or technology-driven companies. Accordingly this could include companies (competitors) with significantly greater financial, technical, human, research and development, and marketing resources than currently available to Nuheara. Nuheara's competitors could develop products in advance of Nuheara that are more effective or have greater market acceptance. As a consequence, Nuheara's proposed products could become obsolete or uncompetitive, resulting in adverse effects on revenue, margins and profitability.

(b) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account in the estimates summarised in Section 4.11 above. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

5.4 General risks

(a) Additional requirements for capital

The funds raised under the Capital Raising are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future (including in relation to Nuheara) to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional financing will be required.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of their activities and potential research and development programs. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programs, as well as on their ability to fund those activities.

(c) Insurance risks

The Company intends to insure its operations and those of Nuheara (as required) in accordance with industry practice. However, in certain

circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company effected.

(d) Litigation risks

The Company is exposed to possible litigation risks including, but not limited to, product liability claims, intellectual property claims and claims relating to supplier or distributor agreements. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Neither the Company nor Nuheara are currently engaged in any litigation.

(e) Dependence on outside parties

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(f) Market conditions

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return to Shareholders arising from the transactions the subject of this Notice or otherwise.

(g) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company and Nuheara depend substantially on their senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment or if one or more of the Directors leaves the Board.

6. Directors' recommendation

The Directors of the Company unanimously recommend the Acquisition (and the change in nature and scale of the Company's activities) and that Shareholders vote in favour of the Resolutions.

7. Resolution 1 - Approval to change in nature and scale of activities

7.1 General

Resolution 1 seeks the approval of Shareholders for a change in the nature and scale of the Company's activities via the acquisition of 100% of the issued capital of Nuheara.

A detailed description of the proposed Acquisition is outlined in Section 4 above.

7.2 Listing Rule 11.1

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature and scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the company were applying for admission to the official list of ASX.

ASX has confirmed to the Company that given the significant change in the nature and scale of the activities of the Company upon completion of the Acquisition, it requires the Company to:

- (a) obtain the approval of its Shareholders for the proposed change of activities; and
- (b) re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

For this reason, the Company is seeking Shareholder approval for the Company to change the nature and scale of its activities under Listing Rule 11.1.2 and pursuant to Listing Rule 11.1.3 in order to re-comply with Chapters 1 and 2 of the Listing Rules.

Details of the assets to be acquired by the Company and the proposed changes to the structure and operations of the Company are provided throughout this Explanatory Memorandum.

7.3 Board recommendation

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

Resolution 1 is an ordinary resolution.

Resolution 1 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

8. Resolution 2 - Approval to issue Consideration Shares

8.1 General

Resolution 2 seeks Shareholder approval for the issue of the Consideration Shares.

8.2 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.

The effect of Resolution 2 will be to allow the Company to issue the Consideration 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.

8.3 Chapter 2E of the Corporations Act and Listing Rule 10.11

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

In their capacity as Nuheara Shareholders:

- (a) 50,700,000 Shares will be issued as Consideration Shares to Mr David Cannington, a proposed Director; and
- (b) 50,700,000 Shares will be issued as Consideration Shares to Wasagi Corporation Pty Ltd (which is a related party of Mr Justin Miller, a proposed Director).

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Consideration Shares to associates of the proposed Directors because the grant of the Consideration Shares as part of the Acquisition Agreement is considered reasonable consideration for the Acquisition and the Acquisition Agreement was negotiated on an arm's length basis.

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

The Directors consider that Listing Rule 10.12 exception 6 applies to the proposed issue of the Consideration Shares and consequently Shareholders' approval is not sought under Listing Rule 10.11.

8.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) a maximum of 130,000,000 Shares are to be issued as Consideration Shares;
- (b) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Consideration Shares are issued in consideration for the Nuheara Shareholders' shares in Nuheara and will therefore be issued at an issue price of nil;
- (d) the Consideration Shares will be issued to the Nuheara Shareholders, none of whom are a related party of the Company other than by reason of the Acquisition;
- (e) the Consideration Shares 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;
- (f) no funds will be raised from the issue of the Consideration Shares as they are to be issued in consideration for the Nuheara Shareholders' shares in Nuheara;
- (g) it is intended that the Consideration Shares will be issued on the same date, being the date of Completion; and
- (h) a voting exclusion statement is included in the Notice.

8.5 Board recommendation

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

Resolution 2 is an ordinary resolution.

Resolution 2 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

9. Resolution 3 - Approval to issue Facilitator Shares

9.1 General

Resolution 3 seeks Shareholder approval the issue of the Facilitator Shares.

9.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

The effect of Resolution 3 will be to allow the Company to issue the Facilitator 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.

9.3 Chapter 2E of the Corporations Act and Listing Rule 10.11

A summary of Chapter 2E of the Corporations Act and Listing Rule 10.11 is contained in Section 8.3 above.

It is proposed that 24,802,321 Facilitator Shares be issued to Inkling Capital Pty Ltd (which is a related party of Dr Michael Ottaviano, a proposed Director).

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Facilitator Shares because the agreement to issue the Facilitator Shares is considered reasonable consideration for Dr Ottaviano acting as the lead facilitator to the Acquisition and was negotiated on an arm's length basis.

The Directors also consider that Listing Rule 10.12 exception 6 applies to the proposed issue of the Facilitator Shares and consequently Shareholders' approval is not sought under Listing Rule 10.11.

9.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Facilitator Shares:

- (a) a maximum of 24,802,321 Shares are to be issued as Facilitator Shares;
- (b) the Facilitator Shares will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Facilitator Shares will be issued in consideration for Dr Ottaviano acting as the lead facilitator to the Acquisition and will therefore be issued at an issue price of nil;
- (d) the Facilitator Shares will be issued in the name of Inkling Capital Pty Ltd (which is a related party of Dr Michael Ottaviano, a proposed Director), who is not a related party of the Company other than by reason of the Acquisition;
- (e) the Facilitator Shares 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;
- (f) no funds will be raised from the issue of the Facilitator Shares as they are to be issued in consideration for Dr Ottaviano acting as the lead facilitator to the Acquisition;
- (g) it is intended that the Facilitator Shares will be issued on the same date, being the date of Completion; and
- (h) a voting exclusion statement is included in the Notice.

9.5 Board recommendation

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

Resolution 3 is an ordinary resolution.

Resolution 3 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

10. Resolution 4 - Approval to issue Management Options

10.1 General

Resolution 4 seeks Shareholder approval for the issue of the Management Options.

10.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

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

10.3 Chapter 2E of the Corporations Act and Listing Rule 10.11

A summary of Chapter 2E of the Corporations Act and Listing Rule 10.11 is contained in Section 8.3 above.

It is proposed that:

- (a) 10,000,000 Options be issued as Management Options to Mr David Cannington, a proposed Director; and
- (b) 10,000,000 Options be issued as Management Options to Wasagi Corporation Pty Ltd (which is a related party of Mr Justin Miller, a proposed Director).

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Management Options because the grant of the Management Options as part of the Acquisition Agreement (and the agreement to act as Directors) is considered reasonable consideration for the Acquisition and was negotiated on an arm's length basis.

The Directors consider that Listing Rule 10.12 exception 6 applies to the proposed issue of the Management Options and consequently Shareholders' approval is not sought under Listing Rule 10.11

10.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Management Options:

- (a) a maximum of 20,000,000 Options are to be issued as Management Options with an exercise price of \$0.03 each;
- (b) the Management Options will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Management Options are issued in consideration for the Acquisition and will therefore be issued at an issue price of nil;
- (d) the Management Options will be issued to Mr Cannington and Mr Miller, neither of whom is a related party of the Company other than by reason of the Acquisition;

- (e) the Management Options will be issued on the terms and conditions in Schedule 3;
- (f) no funds will be raised from the issue of the Management Options as they are to be issued in consideration for the Acquisition;
- (g) it is intended that the Management Options will be issued on the same date, being the date of Completion; and
- (h) a voting exclusion statement is included in the Notice.

10.5 Board recommendation

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

Resolution 4 is an ordinary resolution.

Resolution 4 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

11. Resolution 5 - Approval to issue Capital Raising Shares

11.1 General

Resolution 5 seeks Shareholder approval for the issue of the Capital Raising Shares.

11.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

The effect of Resolution 5 will be to allow the Company to issue the Shares pursuant to the Capital Raising 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.

11.3 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

- (a) a maximum number of 250,000,000 Shares are to be issued as Capital Raising Shares ;
- (b) the Capital Raising 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 Listing Rules);
- (c) the issue price of the Capital Raising Shares will be \$0.02 per Share;
- (d) the Capital Raising Shares are proposed to be issued to the public at the Board's discretion pursuant to a public offer by Prospectus for the purpose of Listing Rule 1.1 condition 3. None of the subscribers for the Capital Raising will be related parties of the Company;

- (e) the Capital Raising Shares 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;
- (f) the Company's intended use of the funds raised from the issue of the Capital Raising Shares is set out in Section 4.11 above;
- (g) it is intended that the Capital Raising Shares will be issued on the same date, being the date of Completion; and
- (h) a voting exclusion statement is included in the Notice.

11.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5.

Resolution 5 is an ordinary resolution.

Resolution 5 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

12. Resolution 6 - Approval of change of Company name

12.1 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 6 seeks the approval of Shareholders for the Company to change its name to 'Nuheara Limited'.

If Resolution 6 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 6 is passed (along with the other Resolutions) the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

12.2 Board recommendation

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

Resolution 6 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).

Resolution 6 is subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

13. Resolutions 7, 8 and 9 - Election of Directors - Dr Ottaviano, and Messrs Miller and Cannington

13.1 General

Pursuant to the Acquisition Agreement, at Completion it is proposed that Dr Ottaviano, and Messrs Cannington and Miller each be appointed as a Director.

Resolution 7 seeks approval for the election of Dr Ottaviano as a Director on and from Completion if each of the other Resolutions are approved by Shareholders.

Resolution 8 seeks approval for the election of Mr Miller as a Director on and from Completion if each of the other Resolutions are approved by Shareholders.

Resolution 9 seeks approval for the election of Mr Cannington as a Director on and from Completion if each of the other Resolutions are approved by Shareholders.

Information on the qualifications, skills and experience of Dr Ottaviano, and Messrs Cannington and Miller is outlined below.

13.2 Dr Michael Ottaviano

Dr Ottaviano has been employed by Carnegie Wave Energy Ltd (**Carnegie**) since January 2006 and was made Managing Director in March 2007. Dr Ottaviano oversees all activities that Carnegie undertakes including all commercial and technical aspects of Carnegie's operations, engineering and design, intellectual property and finance and administration. During his time as CEO Dr Ottaviano has lead Carnegie's development of its CETO Wave Energy technology from Proof of Concept, through a Pilot Plant phase and into the initial Commercial Demonstration stages and has been responsible for raising \$77m in equity, \$35m in Government grant funding and \$20m in a loan facility.

Dr Ottaviano has previously worked in research and development and was a divisional manager for a private Australian engineering company. Prior to joining Carnegie, he was a senior manager specialising in technology and innovation consulting at a global accounting and advisory firm. He has advised companies on new product development, intellectual property, innovation portfolio management and technology commercialisation across various industries and ranging from start-ups to ASX-listed companies with market capitalisation in excess of \$1 billion. He has also been a board member of the Clean Energy Council, Australia's clean energy peak industry group, and a member of the Australian Government's Energy White Paper High Level Consultative Committee.

The Board has considered Dr Ottaviano's independence and considers that he is an independent Director.

13.3 Mr Justin Miller

Mr Miller is a serial entrepreneur who has developed a thorough knowledge of the global technology and innovation marketplace during his 25-year executive career. Throughout the course of his career, Justin has successfully founded and managed the aggressive and profitable growth of technology, manufacturing and service related companies. This includes strategic acquisitions, capital raisings, research & development, product development & onshore/offshore manufacture, significant staff growth and multi-million dollar sales deals involving both direct & channel sales models. Justin founded ASX-listed IT services company Empired and most recently was the founder and CEO of industrial hearing and communication company, Sensear Pty

Ltd, where he was responsible for growing the global business from the San Francisco bay area.

The Board has considered Mr Miller's independence and considers that he is not an independent Director.

13.4 Mr David Cannington

Mr Cannington has over 25 years' global sales and marketing experience. He has held senior positions in sales and marketing for companies spanning consumer packaged goods (Cadbury Schweppes), advertising (McCann Erickson) data analytics (Neochange) and hearing technology (Sensear Pty Ltd). He has advised many startups on go-to-market and growth strategies and was the founding CEO of ANZA Technology Network, a leading cross-pacific technology entrepreneurs network. David has been recognized as one of the most influential Australian technology executives in Silicon Valley and brings a global perspective to technology commercialisation.

The Board has considered Mr Cannington's independence and considers that he is not an independent Director.

13.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolutions 7, 8 and 9.

Resolutions 7, 8 and 9 are ordinary resolutions.

Resolutions 7, 8 and 9 are subject to the approval of the other Acquisition Resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 7, 8 and 9.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

Acquisition means the acquisition of Nuheara in accordance with the Acquisition Agreement.

Acquisition Agreement has the meaning given in Section 4.2.

Acquisition Resolutions means Resolutions 1 to 9 (inclusive).

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the 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.

Capital Raising means the Company's proposal under Resolution 5 to raise a minimum of \$3,000,000 (and a maximum of up to \$5,000,000) via a public offer under the Prospectus.

Capital Raising Shares means the Shares proposed to be issued under the Capital Raising.

Chair or **Chairman** means the person appointed to chair the Meeting of the Company convened by the Notice.

Company means Wild Acre Metals Limited ACN 125 167 133.

Completion means completion under the Acquisition Agreement of the sale by the Nuheara Shareholders and purchase by the Company of 100% of the issued capital of Nuheara.

Consideration Shares has the meaning given in Resolution 2.

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

Curtin Agreement has the meaning given in Section 4.3(h)(i).

Director means a director of the Company.

Equity Security has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Facilitator Shares has the meaning given in Resolution 3.

Hearables means audio Wearables for the ear.

Listing Rules means the listing rules of ASX.

Management Options has the meaning given in Resolution 4.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of general meeting.

Nuheara means Nuheara Pty Ltd ACN 605 704 096.

Nuheara Shareholders means each of David Cannington, Wasagi Corporation Pty Ltd, Kevin Fynn, Sven Nordholm, Wearable World Inc. and such other persons who are shareholders of Nuheara as at the date of Completion.

Option means an option which entitles the holder to subscribe for one Share.

Optionholder means the holder of an Option.

Product Portfolio has the meaning given in Section 4.3(c).

Prospectus means the prospectus proposed to be issued by the Company in relation to the Capital Raising.

Proxy Form means the proxy form attached to the Notice.

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

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Securities means all Equity Securities of the Company, including a Share and an Option.

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

Shareholder means a holder of a Share.

Wearables means technology device worn on the body.

WST means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 - Pro forma Balance Sheet

BALANCE SHEET as at 31/12/14	Balance Sheet as of 31/12/14	Significant changes since 31/12/14*	Rights Issue Transaction **	Sale of Mineral Assets***	Prospectus Transaction	Pro Form Balance Sheet - Post Entitlement Offer****
Current Assets						
Cash and cash equivalents	126,459	186,147	486,270	200,000	4,650,000	5,648,876
Trade and other receivables	2,438					2,438
Other Assets	9,693					9,693
Non Current Assets						
Plant and equipment	17,087					17,087
Intangible Assets-at cost					1,238,419	1,238,419
Financial assets	-					-
TOTAL ASSETS	155,677	186,147	486,270	200,000	5,888,419	6,916,513
Current Liabilities						
Trade and other payables	90,685	-30539				60,146
Provisions	-					
TOTAL LIABILITIES	90,685	-30,539	0		0	60,146
NET ASSETS	64,992	216,686	486,270	200,000	5,888,419	6,856,367
EQUITY						
Issued capital	6,268,496	217,900	486,270		5,888,419	12,861,085
Reserves	308,874	-267,865				41,009
Accumulated Losses	-6,512,378	266,651		200,000		-6,045,727
TOTAL EQUITY	64,992	216,686	486,270	200,000	5,888,419	6,865,367

* Since the last audited accounts on 31 December 2014, the following significant changes (as set out in column 2 above) have been made:

- (i) Share issue on 13/3/15 of 11,750,000 Shares raising \$94,000;
- (ii) Share issue on 24/4/15 of 7,250,000 Shares raising \$58,000;
- (iii) Share issue on 24/4/15 of 8,237,500 Shares to Directors or Director related entities at deemed issue price of \$0.008, totalling \$65,900, \$32,110 of which had been previously accrued; and
- (iv) write back \$267,865 of expired Options to opening accumulated losses.

** Assumes placement of 100% of shortfall, being \$159,800.

*** Provision has been made for receipt of \$200,000 cash for from sale of mineral assets.

**** Approximate expenses relating to the Offer have been included.

Schedule 3 - Terms and Conditions of Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) each Option entitles the holder, when exercised, to one (1) Share;
- (b) the Options are subject to the following conditions and milestones:
 - (i) 1/3rd upon completion of the Product Portfolio (Milestone 1);
 - (ii) 1/3rd upon launch of the Product Portfolio at the International Consumer Electronics Show in Las Vegas in January 2016 (Milestone 2); and
 - (iii) 1/3rd upon commencement of commercial production by December 2016 (Milestone 3);
- (c) the Options are exercisable at any time on or before 3 years from the date of issue;
- (d) the exercise price of the Options is \$0.03 each;
- (e) subject to the Corporations Act, the Constitution and the Listing Rules, the Options are fully transferable;
- (f) the Options are exercisable by delivering to the registered office of the Company a notice in writing stating the intention of the Optionholder to exercise a specified number of Options, accompanied by an Option certificate, if applicable, and a cheque made payable to the Company for the subscription monies due, subject to the funds being duly cleared funds. The exercise of only a portion of the Options held does not affect the Optionholder's right to exercise the balance of any Options remaining;
- (g) after an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the subscription monies due:
 - (i) issue the Shares;
 - (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 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) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX by no later than 5 Business Days after the date of exercise of the Option;
- (h) all Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then issued Shares. The Company does not intend to seek quotation of the Options;
- (i) there are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of Options to Shareholders during the currency of the Options. However, the Company will ensure that, for the purpose of determining entitlements to any issue, Option holders will be notified of the proposed issue at least four (4) Business Days

before the record date of any proposed issue. This will give Option holders the opportunity to exercise the options prior to the date for determining entitlements to participate in any such issue;

- (j) in the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Optionholder will be varied in accordance with the Listing Rules; and
- (k) there will be no change to the exercise price of the Options in the event the Company makes a pro rata rights issue of securities.