
ISIGNTHIS LTD

ACN 075 419 715

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00 pm AEDT

DATE: 30 November 2015

PLACE: Institute of Chartered Accountants
Level 3, Bourke Place, 600 Bourke Street
Melbourne VIC 3000

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 3 8640 0990

CONTENTS PAGE

Business of the Meeting (setting out the proposed resolutions)	4
Explanatory Statement (explaining the proposed resolutions)	7
Glossary	18

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00 pm AEDT on 30 November 2015 at:

Institute of Chartered Accountants
Level 3, Bourke Place, 600 Bourke Street
Melbourne VIC 3000

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 7:00 pm AEDT on 28 November 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 any authority under which the proxy is signed) and return the Proxy Form (and any authority) to the Company by post, facsimile or email (see details below), so that it is received not less than 48 hours prior to the commencement of the Meeting.

- by post – iSignthis Ltd, 456 Victoria Parade, East Melbourne, Victoria 3002
- by facsimile – facsimile number +61 3 8640 0953
- by email – investors@isignthis.com

Please refer to the enclosed Proxy Form for further instructions on how to appoint a proxy.

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

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

Shareholders and their proxies should be aware that, on a poll:

- 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.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - 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. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the director's report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."

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

Voting exclusion statement:

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

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

However, a person (the **prohibited voter**) described above may vote directed proxies for someone other than a prohibited voter.

Further, a member of the Key Management Personnel (regardless of whether or not their remuneration details are disclosed in the Remuneration Report) and their Closely Related Parties may not cast a vote on this Resolution as a proxy unless that person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution and the vote is not cast on behalf of a prohibited voter. However, the Chair can vote undirected proxies, provided the proxy expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BARNABY EGERTON-WARBURTON

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

"That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Barnaby Egerton-Warburton, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – APPOINTMENT OF AUDITOR

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

"That, Grant Thornton:

- a. having been nominated by a member of the Company, in accordance with section 328B(1) of the Corporations Act; and*
- b. having given its consent to act as Auditor, in accordance with section 328A(1) of the Corporation's Act, to the Directors,*

be appointed as the Auditor of the Company with effect from the resignation of Hayes Knight Audit Pty Ltd taking effect, and that the Directors be authorised to agree their remuneration from time to time."

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totalling up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, on the terms and conditions set out in the Explanatory Statement."

Voting exclusion statement:

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of equity securities under this Resolution 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 associate of those persons. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – APPROVAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISIONS

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

"That, for the purposes of sections 648G and 136(2) of the Corporations Act and for all other purposes, the Company modify its Constitution by inserting the proportional takeover approval provisions set out in the Explanatory Statement to the Notice of Meeting with effect from the date of this Meeting for a period of three years."

DATED: 30 OCTOBER 2015

By Order of the Board

TODD RICHARDS
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

The Directors recommend that Shareholders read the Notice of Meeting (including this Explanatory Statement and the Proxy Form) in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act and the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the directors' report and the auditor's report.

There is no requirement in the Corporations Act or Constitution for Shareholders to approve the annual financial report, directors' report or auditor's report.

Shareholders will be given a reasonable opportunity to ask questions and make comments on these reports, and on the management of the Company.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.isignthis.com>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Two strikes rule

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

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

All of the directors of the company who were in office when it was resolved to put the directors' report to the second annual general meeting, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

2.3 Previous annual general meeting

At the Company's 2014 annual general meeting the votes cast against the Company's 2014 remuneration report were less than 25%. Accordingly, the Spill Resolution is not relevant for the Meeting.

2.4 Voting exclusion statement

Refer to the voting exclusion statement for this Resolution in the Notice of Meeting.

2.5 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Directors unanimously recommend that you vote in favour of this non-binding ordinary resolution.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BARNABY EGERTON-WARBURTON

Clause 13.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

The Company currently has 4 Directors and accordingly 1 must retire. Mr Barnaby Egerton-Warburton, the Director longest in office since his last election, retires by rotation and seeks re-election as a Director.

The Directors, other than Mr Barnaby Egerton-Warburton, unanimously support the re-election of Mr Barnaby Egerton-Warburton as a Director and recommend that Shareholders vote in favour of this Resolution.

4. RESOLUTION 3 – APPOINTMENT OF AUDITOR

The purpose of this Resolution is to approve the appointment of Grant Thornton as auditor of the Company.

The Company's previous auditor, Hayes Knight Audit Pty Ltd, has notified the Company of its intention to resign as auditor of the Company. The resignation is subject to receiving the consent of ASIC.

The Company has received a nomination for Grant Thornton to be appointed as auditor of the Company. A copy of the notice of nomination is attached to the

Notice of Meeting as Schedule 2 in accordance with section 328B(3) of the Corporations Act.

Pursuant to the Corporations Act, Grant Thornton has consented in writing to act as the Company's auditor, and has not withdrawn that consent prior to the date of this Explanatory Statement.

Accordingly, this Resolution seeks Shareholder approval to appoint Grant Thornton as auditor of the Company.

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

5.1 General

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue equity securities up to 10% of its issued capital during the 10% Placement Capacity Period (defined below) (**10% Placement Capacity**).

On the date of the Meeting, the Company expects to be an eligible entity for the purposes of ASX Listing Rule 7.1A because it will not be included in the S&P/ASX 300 index and will have a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less.

If Shareholders approve Resolution 4, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 5.2 below).

The effect of Resolution 4 will be to allow the Company to issue equity securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the 10% Placement Capacity Period, without Shareholder approval. The 10% Placement Capacity is in addition to the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

5.2 ASX Listing Rule 7.1A

Any equity securities issued under ASX Listing Rule 7.1A must be in the same class as an existing class of the Company's quoted equity securities. The Company currently has two classes of quoted equity securities on issue, being Shares (ASX Code: ISX) and options (ASX: ISXO).

The number of equity securities that the Company may issue or agree to issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rules 7.1 or 7.4; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Shares under ASX Listing Rules 7.1 or 7.4.

5.3 Information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(a) **Minimum Price**

The minimum price at which the equity securities may be issued is 75% of the volume weighted average price of equity securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 ASX trading days of the date in Section 5.3(a)(i), the date on which the equity securities are issued.

(b) **Risk of voting dilution**

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the market price of Shares and the number of equity securities on issue as at the dates specified in the notes to the table below.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.19 50% decrease in Issue Price	\$0.385 Issue Price	\$0.77 100% increase in Issue Price
574,993,971 (Current)	Shares issued	57,499,397 Shares	57,499,397 Shares	57,499,397 Shares
	Funds raised	\$10,924,885	\$22,137,268	\$44,274,536
862,490,957 (50% increase)	Shares issued	86,249,096 Shares	86,249,096 Shares	86,249,096 Shares
	Funds raised	\$16,387,328	\$33,205,902	\$66,411,804
1,149,987,942 (100% increase)	Shares issued	114,998,794 Shares	114,998,794 Shares	114,998,794 Shares
	Funds raised	\$21,849,771	\$44,274,536	\$88,549,071

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

Notes: The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 19 October 2015.
2. The issue price set out above is the closing price of the Shares on the ASX on 19 October 2015.
3. The Company issues the maximum possible number of equity securities under the 10% Placement Capacity.
4. No options (including any quoted options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the equity securities.
5. The Company has not issued any equity securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(c) Date of Issue

The equity securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (iii) 12 months after the date of the Meeting; and

- (iv) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

(10% Placement Capacity Period).

(d) Purpose of issue under 10% Placement Capacity

The Company may issue equity securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised to fund additional growth by way of entering new markets, sales and marketing, development of further intellectual property or working capital; or
- (ii) as non-cash consideration for the acquisition of new business assets and investments in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) Allocation under the 10% Placement Capacity

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities under the 10% Placement Capacity.

The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity on a case by case basis, having regard to a range of factors, including but not limited to, the following:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the equity securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval under ASX Listing Rule 7.1A at the annual general meeting held on 22 October 2013. The following information is provided in accordance with ASX Listing Rule 7.3A.6:

- (i) During the 12 months preceding the date of the Meeting, the Company did not issue any equity securities under ASX Listing Rule 7.1A.
- (ii) During the 12 months preceding the date of the Meeting, the Company issued a total of 781,953,933 equity securities, which represents approximately 43.6% of the total number of equity securities on issue at 30 November 2014 (12 months before this Meeting). On 22 December 2014, the Company's shareholders approved a consolidation of the issued capital of the Company, which took effect on 24 December 2014. Under the consolidation, every 10 shares were consolidated into 1 share and options on issue were adjusted in accordance with the ASX Listing Rules and on the terms and conditions of the Notice of Meeting dated 17 November 2014. On a post consolidated basis, the issue of 781,953,933 equity securities represents approximately 436% of the total number of equity securities on issue after the consolidation.

Date	Number of equity securities issued	Class of equity securities issued and a summary of the terms of that class	Name of persons to whom equity securities were issued or the basis on which those persons were determined	Price at which equity securities were issued and any discount to closing market price on date of issue	If issue was for cash, total cash consideration, amount of cash spent, what it was spent on, and intended use for any remaining cash	If issue was for non-cash consideration, the non-cash consideration that was paid and the current value of that non-cash consideration
12 March 2015	103,333,333	Fully paid ordinary shares	Offer to investors pursuant to a prospectus dated 22 December 2014 and supplementary prospectus dated 29 January 2015	\$0.03 per share	\$3,100,000. Funds used to enable the Company to commercialise the iSignthis product and pursue growth opportunities. As at 30 June 2015, the Company's cash balance was approximately \$2.27 million. Refer to the Company's Financial Report for the year ending 30 June 2015 for further	N/A

Date	Number of equity securities issued	Class of equity securities issued and a summary of the terms of that class	Name of persons to whom equity securities were issued or the basis on which those persons were determined	Price at which equity securities were issued and any discount to closing market price on date of issue	If issue was for cash, total cash consideration, amount of cash spent, what it was spent on, and intended use for any remaining cash	If issue was for non-cash consideration, the non-cash consideration that was paid and the current value of that non-cash consideration
					details.	
12 March 2015	308,333,333	Fully paid ordinary shares	iSignthis Ltd, a company based in the British Virgin Islands (iSignthis BVI)	Nil cash consideration	N/A	Consideration for the Company acquiring 100% of the issued capital of iSignthis BVI and ISX IP Ltd, including all associated intellectual property . Refer to the Company's Notice of Meeting dated 17 November 2014
12 March 2015	Class A - 112,222,222 Class B - 112,222,222 Class C - 112,222,223	Class A, Class B and Class C performance shares. The terms of the performance shares are set out in the Company's Notice of Meeting dated 17 November 2014	iSignthis BVI	Nil cash consideration	N/A	Consideration for the Company acquiring 100% of the issued capital of iSignthis BVI and ISX IP Ltd, including all associated intellectual property. Refer to the Company's Notice of Meeting dated 17 November 2014
15 March 2015	3,370,600	Fully paid ordinary shares	iSignthis BVI	Nil cash consideration	N/A	Satisfaction of cash shortfall amount as part of the consideration for the Company acquiring 100% of the issued capital of iSignthis BVI and ISX IP Ltd, including all associated intellectual property. Refer to the Company's Notice of Meeting dated 17

Date	Number of equity securities issued	Class of equity securities issued and a summary of the terms of that class	Name of persons to whom equity securities were issued or the basis on which those persons were determined	Price at which equity securities were issued and any discount to closing market price on date of issue	If issue was for cash, total cash consideration, amount of cash spent, what it was spent on, and intended use for any remaining cash	If issue was for non-cash consideration, the non-cash consideration that was paid and the current value of that non-cash consideration
						November 2014
15 March 2015	30,000,000	Unlisted options, exercisable at \$0.04, expiring 15 March 2017. The terms of the options are set out in the Company's Notice of Meeting dated 30 March 2015	KTM Capital Pty Limited - 20,000,000 options Jackie Au Yeung - 10,000,000 options	\$0.0001 per option	N/A	Consideration for corporate advisory services to the Company
23 June 2015	250,000	Fully paid ordinary shares, on exercise of unlisted options expiring 1 March 2016	Steven Burr	Exercise price of \$0.05 per option	N/A	Consideration for consulting services to the Company

5.4 Voting exclusion statement

A voting exclusion statement for this Resolution is included in the Notice of Meeting. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in any issue of equity securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

5.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

6. RESOLUTION 5 – APPROVAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISIONS

6.1 General

Resolution 5 seeks member approval for the Company to insert proportional takeover bid approval provisions (set out in full in Schedule 1 to this Explanatory Statement) (**Approval Provisions**) in the Company's Constitution.

When the Company's Constitution was adopted in 2010, the Constitution included proportional takeover bid approval provisions (in the same form as the Approval Provisions) (**Previous Approval Provisions**). In accordance with the Corporations Act and the Company's Constitution, the Previous Approval Provisions ceased to apply after 3 years (i.e. in 2013).

The Board considers that it is in the best interests of members of the Company to re-insert the Approval Provisions in its Constitution.

6.2 Approval Provisions

Under the Corporations Act, a company may include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by the members in a general meeting approving the bid.

As noted above, the Board considers that it is in the best interests of members for the Company to have a proportional takeover provision in its Constitution.

6.3 Proportional takeover bids

A proportional takeover bid is an off-market takeover offer sent to all members but only in respect of a specified portion of each member's securities in the Company (i.e. less than 100%).

6.4 Effect of proposed proportional takeover provisions

If a proportional takeover bid is made, the Board must ensure that a meeting of members is held, in general, more than 14 days before the last day of the bid period, at which members will consider a resolution to approve the proportional takeover bid. For the resolution to be approved, it must be passed by a simple majority of votes at the meeting, excluding votes of the bidder and its associates.

If the resolution is not voted on within the required timeframe, the resolution is taken to have been approved. If the resolution is approved or taken to have been approved, all valid transfers of shares under the proportional takeover bid must be registered.

If the resolution is not passed, the offer under the takeover bid will be taken to have been withdrawn and no transfer of shares will be registered as a result of the proportional takeover bid. Acceptances will be returned and any contracts formed by acceptances will be rescinded.

The proposed Approval Provisions will expire 3 years after their adoption unless renewed by a further special resolution.

The Approval Provisions do not apply to full takeover bids.

6.5 Reasons for proposing this Resolution

A proportional takeover bid may result in effective control of the Company changing hands without members having the opportunity of disposing of all their securities. Members are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for all securities.

The proposed Approval Provisions will allow members to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

6.6 Proposed acquisitions

As at the date of preparation of this Explanatory Statement, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

6.7 Potential advantages and disadvantages

The Board considers that the Approval Provisions have no potential advantages or disadvantages for the Directors. They remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted or not.

The potential advantages for members of the Approval Provisions include:

- (i) members have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) they may help members to avoid being locked in as a minority;
- (iii) they increase members' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) knowing the view of the majority of members may help each individual member assess the likely outcome of the proportional takeover bid and decide whether to accept or reject an offer under the bid.

The potential disadvantages for members of the Approval Provisions include:

- (i) proportional takeover bids for securities in the Company may be discouraged;
- (ii) members may lose an opportunity to sell some of their securities at a premium; and
- (iii) the likelihood of a proportional takeover succeeding may be reduced.

When the Previous Approval Provisions were in effect between 2010 and 2013, there were no takeover bids for the Company. The Board is not aware of any potential takeover bid that was discouraged by the Previous Approval Provisions.

The Board does not believe that the potential disadvantages outweigh the potential advantages of inserting the Approval Provisions for 3 years.

6.8 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

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

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

Company means iSignthis Ltd (ACN 075 419 715).

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.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the financial year ended 30 June 2015.

Resolutions means the resolutions set out in the Notice of Meeting, 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 holder of a Share.

SCHEDULE 1 - PROPORTIONAL TAKEOVER APPROVAL PROVISIONS

36. PARTIAL TAKEOVER PLEBISCITES

36.1 Resolution to Approve Proportional Off-Market Bid

- (a) Where offers have been made under a proportional off-market bid in respect of a class of securities of the Company ("**bid class securities**"), the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional off-market bid is prohibited unless and until a resolution (in this clause 36 referred to as a "**prescribed resolution**") to approve the proportional off-market bid is passed in accordance with the provisions of this Constitution.
- (b) A person (other than the bidder or a person associated with the bidder) who, as at the end of the day on which the first offer under the proportional off-market bid was made, held bid class securities is entitled to vote on a prescribed resolution and, for the purposes of so voting, is entitled to one vote for each of the bid class securities.
- (c) A prescribed resolution is to be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the prescribed resolution.
- (d) A prescribed resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the prescribed resolution bears to the total number of votes on the prescribed resolution is greater than one half, and otherwise is taken to have been rejected.

36.2 Meetings

- (a) The provisions of this Constitution that apply in relation to a general meeting of the Company apply, with modifications as the circumstances require, in relation to a meeting that is convened pursuant to this clause 36.2 as if the last mentioned meeting was a general meeting of the Company.
- (b) Where takeover offers have been made under a proportional off-market bid, the Directors are to ensure that a prescribed resolution to approve the proportional off-market bid is voted on in accordance with this clause 36 before the 14th day before the last day of the bid period for the proportional off-market bid (the "**resolution deadline**").

36.3 Notice of Prescribed Resolution

Where a prescribed resolution to approve a proportional off-market bid is voted on in accordance with this clause 36 before the resolution deadline, the Company is, on or before the resolution deadline:

- (a) to give the bidder; and
- (b) if the Company is listed – each relevant financial market (as defined in the Corporations Act) in relation to the Company,

a notice in writing stating that a prescribed resolution to approve the proportional off-market bid has been voted on and that the prescribed resolution has been passed, or has been rejected, as the case requires.

36.4 Takeover Resolution Deemed Passed

Where, at the end of the day before the resolution deadline, no prescribed resolution to approve the proportional off-market bid has been voted on in accordance with this clause 36, a resolution to approve the proportional off-market bid is to be, for the purposes of this clause 36, deemed to have been passed in accordance with this clause 36.

36.5 Takeover Resolution Rejected

Where a prescribed resolution to approve a proportional off-market bid under which offers have been made is voted on in accordance with this clause 36 before the resolution deadline, and is rejected, then:

- (a) despite Section 652A of the Corporations Act:
 - (i) all offers under the proportional off-market bid that have not been accepted as at the end of the resolution deadline; and
 - (ii) all offers under the proportional off-market bid that have been accepted and from whose acceptance binding contracts have not resulted as at the end of the resolution deadline,are deemed to be withdrawn at the end of the resolution deadline;
- (b) as soon as practicable after the resolution deadline, the bidder must return to each person who has accepted any of the offers referred to in clause 36.5(a)(ii) any documents that were sent by the person to the bidder with the acceptance of the offer;
- (c) the bidder:
 - (i) is entitled to rescind; and
 - (ii) must rescind as soon as practicable after the resolution deadline,each binding takeover contract resulting from the acceptance of an offer made under the proportional off-market bid; and
- (d) a person who has accepted an offer made under the proportional off-market bid is entitled to rescind the takeover contract (if any) resulting from the acceptance.

36.6 Renewal

This clause 36 ceases to have effect on the third anniversary of the date of the adoption of the last renewal of this clause 36.

SCHEDULE 2 – NOTICE OF NOMINATION OF AUDITOR

2nd October 2015

iSignthis Ltd
456 Victoria Parade
East Melbourne
3002, Victoria
Australia

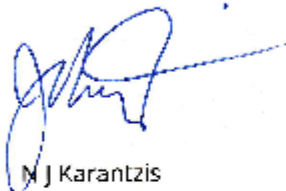
ALL : The Secretary, iSignthis Ltd (ASX : ISX)

RE : Resignation of Auditor, Hayes Knight

Further to the above referenced subject, and you advice that the auditor is tendering their resignation to ASIC.

I, N J Karantzis, acting as a director and on behalf of iSignthis Ltd (BVI) of Sea Meadow House, Blackbourne Highway, Road Town, Tortola, British Virgin Isle, request the company to convene a general meeting of the company, at the earliest opportunity, and to consider and, if thought fit, pass the resolution that Grant Thornton be appointed as auditor.

Yours faithfully



N J Karantzis
Director
iSignthis Ltd (BVI)

PROXY FORM

ISIGNTHIS LTD
ACN 075 419 715

ANNUAL GENERAL MEETING

I/We

of

being a Shareholder entitled to attend and vote at the Meeting, hereby

appoint

Name of proxy

OR ☐ the Chair as my/our proxy

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 **2:00pm (AEDT) on 30 November 2015** at the offices of **Institute of Chartered Accountants, Level 3, Bourke Place, 600 Bourke Street, Melbourne Victoria 3000** and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

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.

Voting on business of the Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-Election of Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 - Approval of proportional takeover approval Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

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

Signature of Shareholder(s):

Date: _____

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ Contact Ph (daytime): _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder'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 Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney to the Company, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - post to iSignthis Ltd ,456 Victoria Parade, East Melbourne, Victoria 3002 or
 - facsimile to the Company on facsimile number +61 3 8640 0953; or
 - email to the Company at investors@isignthis.com

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.