

## NOTICE OF MEETING & AMENDED CAPITAL RAISING

### Notice of Meeting

Enverro Ltd ("Enverro") has today dispatched the attached Notice, Explanatory Statement and Proxy Form to shareholders regarding a general meeting of the Company to be held at 11am on 25 September 2015 at the offices of GRT Lawyers, Level 2, 400 Queen Street, Brisbane QLD 4000.

### Capital raising

On 17 August 2015 Enverro Ltd ("Enverro") advised that it will issue a Prospectus inviting subscriptions for a minimum of 5,000,000 and maximum of 6,250,000 fully paid ordinary shares at \$0.40 per share, raising up to \$2,500,000.

The maximum amount of shares to be issued under the proposed raising has now been increased to 7,500,000 fully paid ordinary shares at \$0.40 to raise a maximum of \$3,000,000.

The offer is expected to open in late September 2015 but the specific dates of the offer are yet to be determined.

The issue is not underwritten and is subject to shareholder approval. Funds raised from the issue will be used to fund the development and marketing of the Datetix Limited ("DateTix") business which the Company proposes to acquire as announced to ASX on 17 June 2015. DateTix is a mobile and location-based social platform to meet new people for in person and on-demand dates.

A Prospectus will be made available on Enverro's website when the shares are offered. A person should consider the Prospectus in deciding whether to acquire the shares. Anyone who wants to acquire the shares will need to complete the application form that will be in or accompany the Prospectus.

**Enverro Ltd** (ASX:ERR) is the developer of a cloud-based workforce management platform designed specifically for the energy, construction and resources sectors. Founded by twenty year software and resources industry veterans, the Enverro platform fosters powerful collaboration between contractors, EPC/Ms and asset owners alike while speeding up the process of moving workers from home to site. The end-to-end platform delivers Mobilisation, Travel & Accommodation and Crew & Roster management tools for a modernised approach to workforce management. Learn more at [www.enverro.com](http://www.enverro.com)

### About DateTix

DateTix is a mobile and location-based social platform to meet new people for in person and on-demand dates. Whether for friendships, casual dating, serious relationships, or business networking, DateTix connects like-minded people with each other through in person and on-demand dates. DateTix has developed a proprietary matchmaking engine that algorithmically scores, ranks and matches people based on multiple dimensions of compatibility, including physical attributes, personality traits and date preferences. DateTix's mission is to make it easy to meet new people anywhere. With an initial focus on major Asian cities, DateTix plans to build, grow and cultivate leading local marketplaces for in person and on-demand dates in all major cities around the world.

ENDS

For further information, please contact:

**Leigh Kelson**  
Chief Executive Officer  
E: [leigh@enverro.com](mailto:leigh@enverro.com) P: +61 3 8319 0966

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**ENVERRO LIMITED**

**ACN 009 027 178**

**NOTICE OF GENERAL MEETING**

**and**

**EXPLANATORY MEMORANDUM**

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**TIME:** 11am

**DATE:** 25 September 2015

**PLACE:** GRT Lawyers, Level 2, 400 Queen Street, Brisbane QLD 4000

***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 Chief Financial Officer and Company Secretary, Mr Garry Edwards on +61 419 768 130***

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## **IMPORTANT INFORMATION**

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### **Time and Place of Meeting**

Notice is given that the General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11am on 25 September 2015 at:

**GRT Lawyers, Level 2, 400 Queen Street, Brisbane QLD 4000**

### **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 that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11am on 23 September 2015.

### **Voting in person**

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

### **Voting by proxy**

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

In accordance with section 249L of the Corporations Act, 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. Neither proxy may vote on a show of hands.

### **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 resolutions at the meeting.

If the Chair of the meeting is appointed or taken to be appointed as a proxy, but the appointment does not direct the votes to be cast in a particular manner, then the Chair intends to exercise all available votes in favour of the Resolutions.

#### **Defined terms**

Capitalised terms in this Notice of Meeting and Explanatory Memorandum are defined either in the Glossary section or where the relevant term is first used.

#### **ASX**

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX, nor any of their respective officers takes any responsibility for the contents of these Meeting Materials.

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## NOTICE OF MEETING

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**NOTICE IS HEREBY GIVEN** that the General Meeting of the Shareholders of **Enverro Limited ACN 009 027 178** (the **Company** or **ERR**) will be held on 25 September 2015, commencing at 11am at GRT Lawyers, Level 2, 400 Queen Street, Brisbane QLD 4000.

This Notice of Meeting incorporates, and should be read together with the Explanatory Memorandum, Annexures, Schedules and Proxy Form.

## AGENDA

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### RESOLUTION 1: CHANGE TO NATURE AND SCALE OF ACTIVITIES

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

*“That, subject to and conditional upon the passing of Resolutions 1 to 7 (inclusive), for the purposes of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the nature and scale of its activities as set out in the Explanatory Memorandum.”*

#### **Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of 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 an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 1 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 a 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.

### RESOLUTION 2: ISSUE OF ORDINARY SHARES TO THE DATETIX VENDORS

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

*“That, subject to and conditional upon the passing of Resolutions 1 and Resolutions 3 to 7 (inclusive), for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to twelve million five hundred thousand (12,500,000) Shares to the DateTix Vendors on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 2 (in any capacity) by or on behalf of 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 an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 2 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 a 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.

#### **RESOLUTION 3: APPROVAL OF NEW CLASS OF SECURITIES (CLASS A PERFORMANCE RIGHTS)**

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

*“That, subject to the passing of Resolutions 1 and 2 (inclusive) and Resolutions 4 to 7 (inclusive), for the purposes of sections 246B and 246C (5) of the Corporations Act, clause 2.4 of the Constitution and for all other purposes, approval is given for the Company to issue Class A Performance Rights on the terms and conditions set out in the Explanatory Memorandum.”*

#### **RESOLUTION 4: APPROVAL OF NEW CLASS OF SECURITIES (CLASS B PERFORMANCE RIGHTS)**

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

*“That, subject to the passing of Resolutions 1 to 3 (inclusive) and Resolutions 5 to 7 (inclusive), for the purposes of sections 246B and 246C (5) of the Corporations Act, clause 2.4 of the Constitution and for all other purposes, approval is given for the Company to issue Class B Performance Rights on the terms and conditions set out in the Explanatory Memorandum.”*

#### **RESOLUTION 5: APPROVAL OF NEW CLASS OF SECURITIES (CLASS C PERFORMANCE RIGHTS)**

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

*“That, subject to the passing of Resolutions 1 to 4 (inclusive) and Resolutions 6 and 7 (inclusive), for the purposes of sections 246B and 246C (5) of the Corporations Act, clause 2.4 of the Constitution and for all other purposes, approval is given for the Company to issue Class C Performance Rights on the terms and conditions set out in the Explanatory Memorandum.”*

## **RESOLUTION 6: ISSUE OF CLASS A, B and C PERFORMANCE RIGHTS TO DATETIX VENDORS AND ACQUISITION OF RELEVANT INTEREST GREATER THAN 20%**

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

*“That, subject to the passing of Resolutions 1 to 5 (inclusive) and Resolution 7 (inclusive), for the purposes of section 611 (7) of the Corporations Act and ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company:*

*a) to issue:*

- i. 4,000,000 Class A Performance Rights;*
- ii. 4,000,000 Class B Performance Rights; and*
- iii. 4,000,000 Class C Performance Rights,*

*to the DateTix Vendors in the proportions specified in Schedule 5 and on the terms and conditions set out in the Explanatory Memorandum; and*

*b) the acquisition of a relevant interest in voting shares greater than 20% by Michael Ye in consequence of the conversion of Performance Rights as set out in section 2.11 of the Explanatory Memorandum.*

### **Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 6 (in any capacity) by or on behalf of 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 an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 6 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 a 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.

## **RESOLUTION 7: CAPITAL RAISING**

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

*“That, subject to the passing of Resolutions 1 to 6 (inclusive), for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue up to seven million five hundred thousand (7,500,000) Ordinary Shares at an issue price of \$0.40 per Share, to raise up to \$3,000,000 on the terms and conditions set out in the Explanatory Memorandum.”*



**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 7 (in any capacity) by or on behalf of 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 an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 7 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 a 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.

**RESOLUTION 8: ISSUE OF EMPLOYEE OPTIONS TO MICHAEL YE**

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

*“That, subject to the passing of Resolutions 1 to 7 (inclusive), for the purposes of section 611 (7) of the Corporations Act and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to four hundred thousand (400,000) Employee Options to Mr Michael Ye and the acquisition of a relevant interest in voting shares in consequence of the exercise of the options on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 8 (in any capacity) by or on behalf of Mr Michael Ye (and his associates).

However, the Company need not disregard a vote on Resolution 8 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 a 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.

**RESOLUTION 9: ISSUE OF DIRECTOR OPTIONS TO ZHIXIAN LIN (A PROSPECTIVE DIRECTOR)**

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

*“That, subject to the passing of Resolutions 1 to 7 (inclusive), for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to one hundred thousand (100,000) Director Options to*

*Ms Zhixian Lin on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 9 (in any capacity) by or on behalf of Ms Zhixian Lin (and her associates).

However, the Company need not disregard a vote on Resolution 9 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 a 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.

**RESOLUTION 10:            ISSUE OF OPTIONS TO DATETIX EMPLOYEES**

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

*“That, subject to and conditional upon the passing of Resolution 1 to 7 (inclusive), for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,100,000 Options to Employees of DateTix Ltd on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 10 (in any capacity) by or on behalf of 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 an associate of that person (or those persons).

However, the Company need not disregard a vote on Resolution 10 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 a 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.

By order of the Board

Garry Edwards, CFO & Company Secretary

21 August 2015

## **LETTER FROM THE CHAIRMAN**

Dear Shareholders

21 August 2015

### **Capital Raising and Transaction to acquire DateTix Limited**

Capitalised terms that are used but not defined in this letter have the meaning given in the Glossary set out in the Explanatory Memorandum

#### **Details of the Capital Raising**

Shareholder approval is sought for the issue of up to 7,500,000 fully paid ordinary shares at \$0.40 to raise a maximum of \$3,000,000. The minimum subscription under the offer is 5,000,000 shares at \$0.40 raising \$2,000,000. The funds raised will be used to develop and market the DateTix Limited business which is to be acquired (subject to shareholder approval), and to provide working capital.

#### **Details of the acquisition Transaction**

DateTix Limited was founded in 2013 and is based in Hong Kong. DateTix is a mobile and location-based platform to meet new people for in person and on-demand dates. Enverro Ltd has entered into a heads of agreement to acquire all of the issued shares in DateTix Limited. Consideration for the acquisition consists of 12,500,000 fully paid ordinary shares in Enverro Ltd and a total of 12,000,000 performance rights in three classes with various performance hurdles as outlined in the Explanatory Memorandum.

#### **Shareholder approval**

In order to complete the Capital Raising and the Transaction, approval of shareholders is required under the Corporations Act and the ASX Listing Rules for the Capital Raising, the creation of new classes of securities, being the performance rights, and for the issue of the consideration shares and rights. In addition shareholder approval is sought for the issue of options to incoming directors of Enverro Ltd and employees of DateTix as per the conditions of the heads of agreement. Importantly, approval is also sought for Michel Ye to acquire a relevant interest in shares in the Company that may result in Michael Ye holding voting power in the Company greater than 20%.

#### **Independent Expert's Report**

To assist Shareholders in determining whether to pass the Resolutions approving the Transaction, the Company has appointed Hall Chadwick as its Independent Expert. The Independent Expert has concluded that the Transaction is not fair but reasonable to the Non-Associated shareholders; a copy of this report is available as Annexure C to the Explanatory Memorandum. You should carefully consider this report and the conclusion of the Independent Expert.

#### **Reasons for the Transaction**

The Directors believe that the Transaction is likely to provide certain benefits to you as a Shareholder. They believe that the key reasons why you should approve the Resolution voting for the transaction are:

- The Company will have a more diversified revenue stream involving the consumer market, with an initial focus on Asia Pacific.
- The directors and employees of DateTix will bring additional expertise and experience in the development and marketing of consumer-based mobile applications to the group.
- The Directors of Enverro have determined that the addition of the DateTix application platform has the potential to increase Enverro shareholder value and provide the Company with greater opportunities in the cloud-based software and applications industry globally.
- DateTix plans to initially target major cities across Asia Pacific that have large and relatively affluent populations of smartphone users and then expand into other major cities around the world.
- Enverro believes that the Transaction allows the Company to achieve its strategic objective of securing sustainable cash flows from a business with growth potential.

### **Recommendations**

The Directors consider that the Capital Raising to provide the Company with working capital and the Acquisition are both in the best interest of Shareholders. All of the Directors recommend that you vote in favour of all Resolutions.

The Explanatory Memorandum contains important information about the Capital Raising and the Acquisition. Please ensure that you have read it carefully before deciding how to vote on the Resolutions.

Yours sincerely,

Anthony Harris

Chairman of the Board

Enverro Limited

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## **EXPLANATORY MEMORANDUM**

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### **1 INTRODUCTION**

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This Explanatory Memorandum forms part of the Notice of Meeting and has been prepared for Shareholders in connection with the Meeting to be held at GRT Lawyers, Level 2, 400 Queen Street, Brisbane QLD 4000 on 25 September 2015 at 11am.

This Explanatory Memorandum provides information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions contained in the Notice of Meeting.

The Meeting Materials are all important documents that should be read carefully and in their entirety before Shareholders make a decision on how to vote at the Meeting.

Capitalised terms used in this Explanatory Memorandum are defined either in the Glossary section or where the relevant term is first used.

### **2 GENERAL INFORMATION**

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#### **2.1 Current Operations**

The Company listed on the Australian Securities Exchange (**ASX**) on 4 December 2014 (ASX: ERR), with the purpose of raising funds to develop its cloud based workplace management software and consulting services businesses.

Since that time, the prime focus of the Company has been on those businesses, with its principal activities focusing on developing and marketing the software and continuing to grow its consulting services clientele. The Company has been forced to reassess its position in light of the downturn in the sectors where its software is predominately deployed, being the energy and resources, infrastructure and construction industries. Similarly the Company has restructured its operations, reducing costs and capital outlays, so as to proactively manage the downturn.

While the Company has continued to seek out potential commercialisation and development opportunities within the existing businesses, the Company and its advisors have also been seeking out and evaluating potential opportunities that may add significant shareholder value.

This evaluation has led the Board to consider the DateTix platform and, after extensive consideration, culminated in the announcement on 17 June 2015 for the proposed Acquisition.

#### **2.2 Change to nature and scale of activities**

As announced by the Company on 17 June 2015, the Company's entry into the binding heads of agreement pursuant to which Enverro is granted an option to acquire all the issued share capital in DateTix will involve a significant change to the nature of the Company's main business activity, from a software and services business focussed on enterprise clients, to a mobile and location-based social platform. ASX has exercised its discretion to require the significant change to the nature and scale of the Company's main business activity to be approved by Shareholders under ASX Listing Rule 11.1.2. This approval is sought from Shareholders in Resolution 1.

If the Resolutions are approved or the Acquisition completes the Company will become predominantly focussed on the DateTix business.

### **2.3 Overview of the DateTix business**

DateTix's mission is to make it easy to meet new people anywhere.

DateTix is a mobile and location-based social platform to meet new people for in person and on-demand dates. DateTix's vision is to foster new human relationships of all kinds by building the world's largest marketplace for dates. DateTix wants to be the destination that people check first when they are looking to meet new people for just about anything, anytime, anywhere in the world.

DateTix plans to operate online local marketplaces in key urbanised areas throughout the world that connect members hosting dates with members browsing for dates, at selected and verified local merchants. Within each local marketplace, DateTix's platform facilitates in person and on-demand dates between two or more members for a variety of intentions (e.g. friendship, business networking, casual dating, serious relationship, marriage) and occasions (e.g. lunch, dinner, drinks, movies, concerts, dancing, cultural and sporting events, trips and vacations). Through DateTix's proprietary platform, members are able to create and manage online profiles, host dates, browse dates, apply to dates, chat with each other, and go on dates, empowering them to discover and meet like-minded people around them who share similar relationship goals and interests. In order to ensure a fun and high quality dating experience for DateTix members, DateTix carefully review and curate each local merchant before adding them into their ecosystem.

To maximize the scale, growth and retention of their member base, DateTix provides the majority of its services for free, while members may choose to purchase virtual items and premium subscriptions to enjoy additional benefits and privileges. DateTix believes this approach is the best way for DateTix to rapidly accelerate the growth of DateTix's member base within each local market to drive beneficial two-sided and localized network effects that significantly enhance the marketplace liquidity and value proposition of their platform. Achieving a critical mass of members in a given local market enables DateTix to deliver significantly higher levels of engagement and increased value for their members, leading to dominant local market shares and sustainable long-term barriers to entry.

DateTix intends to launch its iOS and Android based mobile applications in October 2015.

Further information on DateTix's business and plans is set out in Annexure B.

### **2.4 Key management personnel**

*Michael Ye – (Director of DateTix Ltd, to be appointed as a director of Enverro Ltd on completion of the Acquisition)*

Mr. Ye founded DateTix in 2013 and has led the company's strategic direction since its inception. Mr. Ye is also an Investment Analyst at Imperia Investment Group, with a focus on the Internet sector.

Previously, Mr. Ye was a Senior Business Development Manager at GDC Technology, where he led the launch of a new business division focused on the China market, and advised the executive management team and the board of directors on potential acquisitions and investment opportunities. Previously, Mr. Ye was an associate in the investment banking division of J.P. Morgan, Morgan Stanley and Credit Suisse,

with extensive experience advising Internet companies based in China. Mr. Ye holds a Bachelor of Mathematics degree in Computer Science from the University of Waterloo, and an M.B.A. from The Wharton School at the University of Pennsylvania. DateTix believe that Mr. Ye should serve as a member of their board of directors due to the perspective and experience he brings as the founder of DateTix and his extensive background in the Internet industry.

## **2.5 Key terms of the Acquisition**

On 17 June 2015, the Company entered into a binding Heads of Agreement pursuant to which the Company may exercise an option to acquire all of the issued share capital of DateTix Limited for the following consideration:

- (a) 12,500,000 fully paid Ordinary Shares in the Company issued at an effective price of \$0.40 per share; and
- (b) 4 million (4,000,000) Class A Performance Rights; and
- (c) 4 million (4,000,000) Class B Performance Rights; and
- (d) 4 million (4,000,000) Class C Performance Rights.

All of the above Performance Rights are to convert into fully paid Ordinary Shares in ERR on a 1:1 basis in the event that certain performance hurdles are satisfied within the relevant time period, being 24, 36 and 48 months respectively for Class A,B and C Performance Rights.

The key conditions precedent to completion of the Acquisition include:

- (e) the Company obtaining all regulatory approvals required by ASIC and ASX;
- (f) the Company obtaining all necessary approvals from the Shareholders of the Company;
- (g) ASX confirming the re-compliance by the Company with the ASX Listing Rules, particularly Chapters 1 and 2, and allowing the Company to recommence trading.

## **2.6 Board changes**

Under the Agreement, DateTix has the right to nominate up to two (2) directors to the Board of the Company. On completion of the Acquisition, it is proposed that Mr Michael Ye and Ms Zhixian (Claire) Lin will be appointed to the Board. The Company's existing directors, Mr Leigh Kelson, Mr Anthony Harris and Mr Christopher Doran will remain on the Board.

## **2.7 Re-compliance with Chapters 1 and 2 of ASX Listing Rules**

The significant change to the nature and scale of the Company's main business activity arising from the Acquisition will require re-compliance with ASX's admission requirements in Chapter 1 and 2 of the ASX Listing Rules.

In accordance with guidelines published by ASX, the Company intends to request a trading halt, under ASX Listing Rule 17.1, to apply from the start of trading on the day of the Meeting. If Shareholders approve the change to the nature and scale of activities of the Company and the related Resolutions, trading in the Company's securities will continue to be suspended until re-compliance with the admission requirements is achieved.

## **2.8 Approval for Acquisition of greater than a 20% interest in Company shares by Michael Ye**

### **Takeover Approval**

Part 6.1 of the Corporations Act contains provisions known as the 'takeover provisions'. These provisions prohibit the acquisition of voting shares or a relevant interest in voting shares of a listed entity, if that acquisition results in a person's or someone else's voting power in the company increasing from 20% or below to more than 20% (Takeover Prohibition).

A person has a relevant interest in voting shares if they are the holder of the shares, or have power to exercise, or control the exercise of votes attaching to the shares, or have power to dispose of, or control the exercise of a power to dispose of the shares. A holder of voting shares will have a relevant interest in those shares by virtue of that direct shareholding.

Section 611, item 7 of the Corporations Act provides an exception to the Takeover Prohibition in circumstances where the shareholders of the company whose shares are being acquired (in this case Enverro), approve the acquisition (Takeover Approval).

Shareholders should carefully read the complete explanation regarding Resolution 6 and 8 contained in the Explanatory Memorandum, together with the Independent Expert's Report.



## Purpose of Resolution 6 and 8

If the Acquisition is approved by Shareholders and subsequently completed, and some or all of the Performance Rights are converted to Shares, Michael Ye may acquire a relevant interest in greater than 20% of the voting Shares of the Company.

Consequently, the Company seeks Shareholder approval in resolution 6 and 8 under section 611, item 7 of the Corporations Act, to acquire a relevant interest in the voting Shares of the Company on conversion of the Performance Rights and Employee Options to Shares.

A person who holds Performance Rights or Employee Options does not have a relevant interest in voting Shares of the Company until conversion of those Performance Rights or Employee Options to Shares.

## Potential Voting Power of Michael Ye

The table below sets out the maximum voting power that Michael Ye may acquire in the Company. These calculations are based upon the Minimum Subscription described in section 9.1 of the Explanatory Memorandum.

Voting Power				
On Completion	If Class A Performance Rights Convert	If Class A and B Performance Rights Convert	If Class A, B and C Performance Rights Convert	If Performance Rights and Options Convert
17.15%	19.67%	21.60%	23.14%	23.93%

## Corporations Act Disclosure Requirements

### (a) Identity of the person making the acquisition and their associates

Michael Ye, a shareholder of DateTix.

There are no shareholders of the Company or DateTix who are associates of Michael Ye. Tsai Juan Jiang is the sole director and shareholder of Global Marketplace Limited. Tsai Juan Jiang is the mother of Michael Ye.

### (b) Maximum extent of the increase in Michael Ye's voting power as a result of the acquisition

Michael Ye currently does not hold any Shares in the Company.

The voting power in the Company of Michael Ye may be increased to a maximum of 23.93% (**Maximum Voting Power**) subject to the following occurring:

- the minimum number of 5,000,000 Shares are issued following the Capital Raising (subject to Resolution 7 being approved);
- Shares are issued to DateTix Vendors (subject to Resolution 2 being approved);
- Performance Rights are issued to DateTix Vendors (subject to Resolutions 6 and 8 being approved);
- all the Performance Rights are converted into Shares; and
- the issue of the Employee Options the subject of Resolution 8 is approved and Michael Ye exercises these Employee Options.

The transaction contemplated in the Resolutions and described in this Explanatory Memorandum may therefore result in:

- a maximum increase of the voting power of Michael Ye of 23.93%; and
- a Maximum Voting Power of 23.93% from a base voting power of 0%.

(c) **Voting power of Michael Ye as a result of the acquisition**

The voting power in the Company of Michael Ye will be increased to a maximum of 23.93% subject to the assumptions in paragraph (b).

(d) **Maximum extent of the increase in the voting power of each of Michael Ye's associates that would result from the acquisition**

Not applicable.

(e) **Voting power that each of Michael Ye's associates would have as a result of the acquisition**

Not applicable.

## 2.9 Indicative Timetable

An indicative timetable for re-compliance with the admission requirements is set out below:

Event	Date
Company announces execution of Agreement	17 June 2015
Despatch of meeting documents	25 August 2015
Lodge Prospectus with ASIC and ASX	21 September 2015
Offer under Prospectus opens	21 September 2015
Suspension of trading in the Company's securities	25 September 2015
EGM	25 September 2015
Offer under Prospectus closes	21 October 2015
Entity Announces Completion of Capital Raising	22 October 2015
Expected Date for Completion of Acquisition	23 October 2015
Expected Date for despatch of holding statements	23 October 2015
Expected date for re-quotation of the Company's shares on ASX	28 October 2015
Option Exercise deadline and sunset date for Conditions (NB option exercise must pre-date completion)	17 November 2015

*This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, subject to the ASX Listing Rules and the Corporations Act.*

## 2.10 Pro-forma capital structure

The capital structure of the Company following completion of the Acquisition, issue of securities and Capital Raising is set out in the table below:

	Shares	Options	Performance Rights
Issued capital	9,004,546	1395,504	Not applicable
Issues to DateTix Vendors (Resolutions 2 and 6)	12,500,000	Not applicable	12,000,000 <sup>2</sup>
Issue pursuant to Capital Raising (up to \$3 million raise) (Resolution 7)	7,000,000 <sup>1</sup>	Not applicable	Not applicable
Issue of Employee Options to Michael Ye (Resolution 9)	Not applicable	400,000	Not applicable
Issue of Director Options to Ms Zhixian Lin	Not applicable	100,000	Not applicable
Issue of Employee Options to other Employees	Not applicable	1,100,000	Not applicable
<b>Capital structure on Completion (presume \$2 million raise)</b>	<b>26,504,546</b>	<b>2,995,504</b>	<b>12,000,000</b>
<b>Capital structure on Completion (presume \$3.0 million raise)</b>	<b>29,004,546</b>	<b>2,995,504</b>	<b>12,000,000</b>

Notes:

1. This is the maximum capital raising via the issue of 7,000,000 Ordinary Shares at a proposed issue price of \$0.40 per new share. The minimum subscription required is the issue of a minimum of 5,000,000 Ordinary Shares at a proposed issue price of \$0.40 per new share.
2. The Performance Rights consist of:
  - i. 4,000,000 Class A;
  - ii. 4,000,000 Class B; and
  - iii. 4,000,000 Class C.

On completion of the Acquisition, the indicative shareholdings of the Company will be as follows:

	Minimum Offer		Maximum Offer	
	Shares (presume \$2 million raise)	Percentage	Shares (presume \$3.0 million raise)	Percentage
Current Shareholders	9,004,546	33.97%	9,004,546	31.04%
DateTix Vendors	12,500,000	47.16%	12,500,000	43.10%
Investors	5,000,000	18.86%	7,500,000	25.86%
<b>Total</b>	<b>26,504,546</b>	<b>100%</b>	<b>29,004,546</b>	<b>100%</b>

## 2.11 Pro-forma statement of financial position

Set out in Appendix A is an unaudited pro-forma consolidated statement of financial position of the Company taking into account the Acquisition. The pro-forma statement of financial position illustrates the effect of the Acquisition as if it had occurred on 30 June 2015.

## 2.12 Advantages of the Acquisition

### (a) More certain return to Shareholder value creation

In the current market environment, the Directors believe there is greater likelihood of restoring Shareholder value by progressing the Acquisition than if the Company were simply to remain as is.

### (b) Experienced board

The proposed new board appointments following completion of the Acquisition will ensure your Board has the experience and skills to guide the growth of the Company.

### (c) Growth prospects

The Company aims to penetrate and disrupt the dating and social networking services markets by offering innovative mobile platforms focused on real life dates.

The DateTix application platform is highly scalable with potential global application, although it has not yet been commercially launched. DateTix proposes to initially target major cities across Asia Pacific that have large and relatively affluent populations of smartphone users, and then expand into other major cities around the world.

### (d) Increased investor interest and market liquidity

Until recently, transactions in the Company's shares on ASX have been sparse. In more recent days this has changed and the Board believes this is mostly related to the 17 June 2015 announcement of the Acquisition. There may be improved liquidity going forward post-completion of the Acquisition, although there will be a higher concentration of shares held by the vendors of DateTix.

(e) No cash payment for an existing growing business

The consideration for the Acquisition will be entirely in the form of Shares.

Subject to the re-quotations of the Shares on ASX, some or all of the Shares to be issued to the DateTix Vendors may be classified by ASX as restricted securities pursuant to the ASX Listing Rules and may be held in escrow for up to 24 months from the date of re-quotations. Accordingly, it is anticipated that all DateTix Vendors will retain an interest in the future of the Company.

## **2.13 Disadvantages of the Acquisition**

(a) Changing the nature and scale of activities

The Company will be changing the nature and scale of activities by acquiring the DateTix business, which is a mobile and location-based social platform and a significant diversification from the Company's existing business. This change in strategy may not be consistent with the objectives of some Shareholders.

(b) Dilution of existing Shareholders

The proposed issue of Shares to the DateTix Vendors and the Capital Raising will be dilutive on some or all Shareholders. Consequently, the current Shareholders' voting power and influence over the affairs of the Company will be reduced.

(c) Transaction costs

The proposed transaction for the Company to acquire all the existing Shares in DateTix Limited has required the Company to engage a number of advisors, lawyers and experts to facilitate and report on the transaction. This work includes preparation of these Meeting Materials, and a Prospectus to ensure compliance with ASX Listing Rules and other statutory requirements and approvals. These costs are unavoidable as part of the Transaction.

(d) No guarantee

There is no guarantee with regard to the future success, achievements and/or the financial performance of the Company and the value of the Shares following completion of the Acquisition.

(e) Additional risks

There are many risk factors associated with the proposed change to the nature and scale of the Company's activities following completion of the Acquisition and the ongoing operation of the Company. Based on information available to the Company as at the date of this Notice, the Board has compiled a non-exhaustive list of risk factors. These are set out in Schedule 1.

The Directors believe the advantages of the Acquisition substantially outweigh the disadvantages. Accordingly, the Directors recommend the Acquisition and that Shareholders vote in favour of proposed Resolutions 1 to 10 (inclusive).

## **2.14 Plans for the Company if the Acquisition is not completed**

If, for whatever reason, Resolutions 1 to 7 (inclusive) are not all passed, the Acquisition will not proceed. In this circumstance, the Company will continue with its present activities and the evaluation of

potential advanced opportunities that might meet criteria capable of adding significant Shareholder value.

### **2.15 Forward looking statements**

The forward looking statements in this Notice of Meeting and Explanatory Memorandum are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in the Notice of Meeting and Explanatory Memorandum. Forward looking statements include those containing words such as: anticipate, estimates, should, will, expects, plans, or similar expressions.

### **2.16 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of the Resolutions other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

### **2.17 Directors' recommendation**

The Directors consider that the proposed change to the nature and scale of activities of the Company arising from the Acquisition has the potential to add significant Shareholder value for the Company's Shareholders. Accordingly, the Directors recommend the Acquisition and that Shareholders vote in favour of proposed Resolutions 1 to 10 (inclusive).

All of the Directors, to the extent that they are entitled to vote, intend to vote in favour of all Resolutions.

**Resolutions 1 to 7 (inclusive) are interdependent, meaning that Shareholders must pass all of Resolutions 1 to 7 (inclusive) for the Acquisition to proceed.**

## **3 RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES**

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### **3.1 General**

Resolution 1 seeks approval from Shareholders for a change to the nature and scale of the activities of the Company as a result of the Acquisition of DateTix.

As outlined in section 2.5 of this Explanatory Memorandum, the Company has entered into the Agreement under which the Company has agreed to acquire all the issued share capital in DateTix.

The Agreement is subject to the conditions set out in section 2.5, including the requirement to obtain Shareholder approval.

A description of the Acquisition is outlined in section 2.5.

### **3.2 Legal requirements**

ASX 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. Further, the following rules apply to the entity in relation to the proposed change:

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

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

- (a) obtain Shareholder approval for the Acquisition; and
- (b) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

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

If Resolution 1 is not passed the Company will not be allowed to change the nature and scale of its activities as proposed in this Explanatory Memorandum and the Acquisition will not proceed.

In accordance with the requirements of ASX, the Company's securities may be suspended from trading on ASX from the date of the General Meeting until such time that the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules. If Shareholders do not approve the Acquisition, the suspension will be lifted after the Company has made an announcement to the market confirming the results of the meeting and that it will not be proceeding with the transaction.

### **3.3 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 1 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

### **3.4 Directors' recommendation**

Resolution 1 is an ordinary resolution and the passing of it is conditional upon and subject to Resolutions 2 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 1, you should also vote in favour of Resolutions 2 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

***The Directors recommend Shareholders vote in favour of Resolution 1.***

## **4 RESOLUTION 2 – ISSUE OF ORDINARY SHARES TO THE DATETIX VENDORS**

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### **4.1 General**

As outlined in section 2.5 of this Explanatory Memorandum, the Company has agreed to acquire DateTix from the DateTix Vendors.

None of the DateTix Vendors are related parties of the Company other than by reason of the Acquisition. Accordingly, whilst certain of the DateTix Vendors are related parties by virtue of the fact that they or their controller may be appointed as a Director of the Company upon completion of the Acquisition, Shareholder approval is not required under the Corporations Act or the ASX Listing Rules for the issue of Shares to those persons as they are only related parties by virtue of the Acquisition and dealings with those parties by the Company have been on arm's length terms.

The total consideration to be paid to the DateTix Vendors for 100% of the issued share capital of DateTix will include:

- (a) 12,500,000 fully paid Ordinary Shares in ERR issued at an effective price of \$0.40; and
- (a) 4,000,000 Class A Performance Rights;
- (b) 4,000,000 Class B Performance Rights; and
- (c) 4,000,000 Class C Performance Rights.

ASX Listing Rule 7.1 provides that a company must not without the approval of Shareholders, subject to specified exceptions, issue or agree to issue during any 12 month period, any equity securities or other securities with rights to conversion to equity, such as an option, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the ordinary Shares during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX) without using the Company's annual 15% placement capacity.

### **4.2 Technical information required by ASX Listing Rule 7.3**

The following information is provided in relation to the Shares pursuant to and in accordance with ASX Listing Rule 7.3:

<b>Maximum number of securities to be issued by the Company</b>	Up to 12,500,000 fully paid Ordinary Shares at an effective price of \$0.40
<b>Date by which the Company will issue the securities</b>	ASX Listing Rule 7.3.2 requires the Shares to be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of ASX Listing Rules). It is intended that the issue will occur on completion of the Acquisition, which currently is expected to occur within 3 months of the date of the General Meeting.



<b>Issue price of the securities</b>	The Shares will be issued for nil cash consideration but rather as consideration for the acquisition of 100% of the issued capital of DateTix.  Accordingly, no funds will be raised from the issue of the Shares.
<b>Names of the persons to whom the Company will issue the securities</b>	The Shares will be issued to the DateTix Vendors in accordance with their respective interests.
<b>Terms of the securities</b>	The Shares issued will be fully paid Ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

### 4.3 Restricted securities

Subject to the re-quotation of the Shares on ASX, some or all of the Shares to be issued to the DateTix Vendors may be classified by ASX as restricted securities pursuant to the ASX Listing Rules and may be held in escrow for up to 24 months from the date of re-quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

### 4.4 Substantial Shareholders

Following completion of the Acquisition, it is anticipated that the following parties will become substantial Shareholders of the Company with the following approximate holdings (on an undiluted basis):

<b>Name</b>	<b>Number of Shares at the date of this Notice of Meeting</b>	<b>Number of Shares if all Resolutions are approved</b>	<b>% holding if all Resolutions are approved (assume \$2M Minimum Capital Raising)</b>	<b>% holding if all Resolutions are approved (assume \$3.0M Maximum Capital Raising)</b>
Michael Ye	Nil	4,545,455	17.15%	15.67%
Gold Resources Ltd	300,001	3,750,000	15.28%	13.96%
Global Marketplace Limited	Nil	3,454,545	13.03%	11.91%

#### **4.5 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 2 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### **4.6 Directors' recommendation**

Resolution 2 is an ordinary resolution and the passing of it is conditional upon and subject to Resolutions 1 and Resolutions 3 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 3, you should also vote in favour of Resolutions 1 and Resolutions 3 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

***The Directors recommend Shareholders vote in favour of Resolution 2.***

### **5 RESOLUTION 3 – APPROVAL OF NEW CLASS OF SECURITIES (CLASS A PERFORMANCE RIGHTS)**

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#### **5.1 General**

As described in section 2.5 of this Explanatory Memorandum, the Acquisition consideration includes the issue of 4,000,000 Class A Performance Rights to the DateTix Vendors which is considered under Resolution 6.

The purpose of Resolution 3 is to seek approval from Shareholders to create a new class of securities, being the Class A Performance Rights, having different rights to the existing fully paid Ordinary Shares. The Class A Performance Rights will have the rights set out in Schedule 2 and convert into Ordinary Shares if the specified performance hurdles identified in Schedule 2 are met.

#### **5.2 Section 246C(5) of the Corporations Act**

Section 246C (5) of the Corporations Act provides that if a company with one class of shares issues new shares, the issue is taken to vary the rights attached to the shares already on issue if the rights attaching to the new shares are not the same as the rights attached to shares already issued and those rights are not provided for in the company's constitution or a notice, document or resolution that is lodged with ASIC.

Further, section 246B of the Corporations Act and clause 2.4 of the Constitution provide that the rights attached to shares in a class of shares may be varied only by special resolution of the Company and either:

- (a) by special resolution passed at a meeting of the members holding shares in the class; or
- (b) with the written consent of members with at least 75% of the votes in the class.

Full terms of the Class A Performance Rights are set out in Schedule 2 to this Notice.

### **5.3 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 3 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

### **5.4 Directors' recommendation**

Resolution 3 is a special resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The passing of Resolution 3 is conditional upon and subject to Resolutions 1 and 2 (inclusive) and Resolutions 4 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 4, you should also vote in favour of Resolutions 1 and 2 (inclusive) and Resolutions 4 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

***The Directors recommend Shareholders vote in favour of Resolution 3.***

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## **6 RESOLUTION 4 – APPROVAL OF NEW CLASS OF SECURITIES (CLASS B PERFORMANCE RIGHTS)**

### **6.1 General**

As described in section 2.5 of this Explanatory Memorandum, the Company intends to issue 4,000,000 Class B Performance Rights to the DateTix Vendors which is considered under Resolution 6.

The purpose of Resolution 4 is to seek approval from Shareholders to create a new class of securities, being the Class B Performance Rights, having different rights to the existing fully paid Ordinary Shares. The Class B Performance Rights will have the rights set out in Schedule 3 and convert into Ordinary Shares if the specified performance hurdles identified in Schedule 3 are met.

### **6.2 Section 246C(5) of the Corporations Act**

Section 246C (5) of the Corporations Act provides that if a company with one class of shares issues new shares, the issue is taken to vary the rights attached to the shares already on issue if the rights attaching to the new shares are not the same as the rights attached to shares already issued and those rights are not provided for in the company's constitution or a notice, document or resolution that is lodged with ASIC.

Further, section 246B of the Corporations Act and clause 2.4 of the Constitution provide that the rights attached to shares in a class of shares may be varied only by special resolution of the Company and either:

- (c) by special resolution passed at a meeting of the members holding shares in the class; or
- (d) with the written consent of members with at least 75% of the votes in the class.

Full terms of the Class B Performance Rights are set out in Schedule 3 to this Notice.

### **6.3 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 4 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

### **6.4 Directors' recommendation**

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

The passing of Resolution 4 is conditional upon and subject to Resolutions 1 to 3 (inclusive) and Resolutions 5 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 4, you should also vote in favour of Resolutions 1 to 3 (inclusive) and Resolutions 5 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

***The Directors recommend Shareholders vote in favour of Resolution 4.***

## **7 RESOLUTION 5 – APPROVAL OF NEW CLASS OF SECURITIES (CLASS C PERFORMANCE RIGHTS)**

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### **7.1 General**

As described in section 2.5 of this Explanatory Memorandum, the Company intends to issue 4,000,000 Class C Performance Rights to the DateTix Vendors which is considered under Resolution 6.

The purpose of Resolution 5 is to seek approval from Shareholders to create a new class of securities, being the Class C Performance Rights, having different rights to the existing fully paid Ordinary Shares. The Class C Performance Rights will have the rights set out in Schedule 4 and convert into Ordinary Shares if the specified performance hurdles identified in Schedule 4 are met.

### **7.2 Section 246C(5) of the Corporations Act**

Section 246C (5) of the Corporations Act provides that if a company with one class of shares issues new shares, the issue is taken to vary the rights attached to the shares already on issue if the rights attaching to the new shares are not the same as the rights attached to shares already issued and those rights are not provided for in the company's constitution or a notice, document or resolution that is lodged with ASIC.

Further, section 246B of the Corporations Act and clause 2.4 of the Constitution provide that the rights attached to shares in a class of shares may be varied only by special resolution of the Company and either:

- (e) by special resolution passed at a meeting of the members holding shares in the class; or
- (f) with the written consent of members with at least 75% of the votes in the class.

Full terms of the Class B Performance Rights are set out in Schedule 43 to this Notice.

### **7.3 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 6 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

### **7.4 Directors' recommendation**

Resolution 5 is a special resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The passing of Resolution 5 is conditional upon and subject to Resolutions 1 to 4 (inclusive) and Resolutions 6 and 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 5, you should also vote in favour of Resolutions 1 to 4 (inclusive) and Resolutions 6 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

***The Directors recommend Shareholders vote in favour of Resolution 5.***

## **8 RESOLUTION 6 – ISSUE OF CLASS A, B AND C PERFORMANCE RIGHTS TO DATETIX VENDORS**

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### **8.1 General**

As part of the consideration for the Acquisition Resolution 6 seeks approval by Shareholders under ASX Listing Rule 7.1 for the issue of the following Class A, B and C Performance Rights to the DateTix Vendors:

- (a) 4,000,000 Class A Performance Rights;
- (b) 4,000,000 Class B Performance Rights; and
- (c) 4,000,000 Class C Performance Rights.

The Company notes that Mr Michael Ye is only a related party to the Company by virtue of the Acquisition of DateTix and his prospective directorship. The Company notes that the sole shareholder and sole director of Global Marketplace Limited, a shareholder of DateTix, is Tsai Juan Jiang. Tsai Juan Jiang is the mother of Michael Ye. Michael Ye and Global Marketplace Limited are not associated. The other DateTix shareholders are corporate entities and it is noted that they are not related to or associated with Michael Ye. As the Performance Rights are issued as consideration for the sale of the DateTix business, approval under Chapter 2E of the Corporations Act is not required, nor is it sought.

### **8.2 Legal requirements**

ASX Listing Rule 7.1 sets out the basic prohibition on an entity issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities. An issue in

excess of the 15% limit can be made with the approval of holders of ordinary securities. For the purposes of Listing Rule 7.1, the Class A, B and C Performance Rights are considered as equity securities.

ASX Listing Rule 7.2 exception 4 provides that the issue of equity securities upon the conversion of convertible securities will be treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 so long as the entity complied with the ASX Listing Rules when issuing the convertible securities. As the Class A, B and C Performance Rights are convertible into Shares; they are convertible securities for the purposes of the ASX Listing Rules. Accordingly, if Resolution 6 is approved by Shareholders and any of the Class A, B and C Performance Rights issued to the DateTix Vendors are subsequently converted into Shares upon the achievement of a relevant conversion event, the Shares issued will not be counted in the Company's 15% limit under ASX Listing Rule 7.1.

If Resolution 6 is passed it will permit the Directors to issue the Class A, B and C Performance Rights no later than 3 months after the date of the General Meeting (or such longer period as allowed by ASX) without impacting on the Company's 15% placement limit under ASX Listing Rule 7.1.

### 8.3 Technical information required by ASX Listing Rule 7.3

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.3:

Maximum number of securities to be issued by the Company	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
	4,000,000	4,000,000	4,000,000
Date by which the Company will issue the securities	ASX Listing Rule 7.3.2 requires the Class A Performance Rights to be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). It is intended that the issue will occur on completion of the Acquisition, which currently is expected to occur within 3 months of the date of the General Meeting.		
Names of the persons to whom the Company will issue the securities	Please refer to Schedule 5. None of these parties are currently a related party of the Company.		
Issue price of the securities	The Class A, B and C Performance Rights will be issued for nil cash consideration but rather as part consideration for the acquisition of 100% of the issued capital of DateTix.  Accordingly, no funds will be raised from the issue of the Class A, B and C Performance Rights.		
Terms of the securities	The terms and conditions of the Class A, B and C Performance Rights are set out in Schedules 2, 3 and 4 respectively.		
Voting exclusion statement	A voting exclusion statement is included in the Notice of Meeting.		

#### 8.4 Restricted securities

Subject to the re-quotations of the Shares on ASX, some or all of the Class A, B and C Performance Rights to be issued to the DateTix Vendors may be classified by ASX as restricted securities pursuant to the ASX Listing Rules and may be held in escrow for up to 24 months from the date of re-quotations. During the period in which these Class A, B and C Performance Rights are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

#### 8.5 No other material information

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 6 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### 8.6 Directors' recommendation

Resolution 6 is an ordinary resolution and the passing of it is conditional upon and subject to Resolutions 1 to 5 (inclusive) and Resolution 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 6, you should also vote in favour of Resolutions 1 to 5 (inclusive) and Resolution 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 6.

***The Directors recommend Shareholders vote in favour of Resolution 6.***

### 9 RESOLUTION 7 – CAPITAL RAISING

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#### 9.1 General

The Company proposes to undertake a capital raising by way of issue of up to 7,500,000 Shares at \$0.40 per Share subscribed to raise up to \$3,000,000 (**Capital Raising**). The Company must raise a minimum of \$2,000,000 through the issue of 5,000,000 Shares at \$0.40 per Share (**Minimum Subscription**) in order to adequately fund its commitments and achieve its business objectives in the next 2 years.

Resolution 7 seeks approval by Shareholders under ASX Listing Rule 7.1 for the issue of up to 7,500,000 Shares at an issue price of \$0.40 per Share to raise up to \$3,000,000.

The Company is undertaking the Capital Raising in conjunction with the Acquisition using a prospectus (**Prospectus**) to satisfy ASX Listing Rule 1.1 condition 3 and re-comply with ASX's admission requirements.

The Company intends to use the funds raised to:

- (a) Complete the acquisition of the DateTix business;
- (b) Implement DateTix planned development and expansion strategy;
- (c) underpin the Company's existing growth rates over the next 1-2 years; and
- (d) accelerate the growth of the Company by funding additional sales and marketing activities.

## 9.2 Legal requirements

ASX Listing Rule 7.1 provides that a company must not without the approval of shareholders, subject to specified exceptions, issue or agree to issue during any 12 month period, any equity securities or other securities with rights to conversion to equity, such as an option, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The Company intends to issue the Prospectus in late August 2015.

If Resolution 7 is passed it will permit the Directors to complete the Capital Raising no later than 3 months after the date of the General Meeting (or such longer period as allowed by ASX) without impacting on the Company's 15% placement limit under ASX Listing Rule 7.1.

ASX Listing Rule 7.2 exception 4 provides that the issue of equity securities upon the conversion of convertible securities will be treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 so long as the entity complied with the ASX Listing Rules when issuing the convertible securities. Accordingly, if Resolution 7 is approved by Shareholders and any of the Attaching Options are subsequently exercised, the Shares issued will not be counted in the Company's 15% limit under ASX Listing Rule 7.1.

## 9.3 Technical information required by ASX Listing Rule 7.3

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.3:

<b>Maximum number of securities to be issued by the Company</b>	Up to 7,500,000 Ordinary Shares
<b>Date by which the Company will issue the securities</b>	The Shares will be issued no later than three (3) months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of ASX Listing Rules).
<b>Issue price of the securities</b>	Ordinary Shares to be issued at \$0.40 per share.
<b>Names of the persons to whom the Company will issue the securities</b>	The Shares will be issued to successful applicants under the Prospectus.
<b>Terms of the securities</b>	The Shares issued will be fully paid Ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Use of funds raised</b>	<p>The funds raised under the Prospectus are intended to be used for the following purposes:</p> <ul style="list-style-type: none"><li>• Complete the acquisition of the DateTix business;</li><li>• Implement DateTix planned development and expansion strategy;</li><li>• to underpin the Company's existing growth rates over the next 1-2 years; and</li><li>• to accelerate the growth of the Company by funding additional sales and marketing activities.</li></ul>



<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.
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#### **9.4 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 7 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### **9.5 Directors' recommendation**

Resolution 7 is an ordinary resolution and the passing of it is conditional upon and subject to Resolutions 1 to 6 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 7, you should also vote in favour of Resolutions 1 to 6 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 7.

***The Directors recommend Shareholders vote in favour of Resolution 7.***

### **10 RESOLUTION 8 – ISSUE OF EMPLOYEE OPTIONS TO MICHAEL YE**

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#### **10.1 General**

The Board intends to appoint Mr. Michael Ye as director of the Company on completion of the Acquisition.

To assist the Company to conserve cash and to align the interests of Mr. Michael Ye with the Company, the Board intends to issue Mr Michael Ye with 400,000 Employee Options at an exercise price of \$0.40 per share.

If Resolution 8 is not passed, Mr Michael Ye will not be granted the Employee Options. The Acquisition may still proceed, subject to Resolutions 1 to 7 being approved.

#### **10.2 Legal requirements**

Resolution 8 seeks approval from the Shareholders for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Employee Options to Mr Michael Ye as part of his remuneration post-completion of the Acquisition.

The Company has formed the view that the issue of Options to Michael Ye is 'reasonable remuneration' and so exempt from the requirements of Chapter 2E of the Corporations Act.

ASX Listing Rule 10.11 prohibits the Company from issuing equity securities to a related party of the Company, such as a Director, without the Company obtaining Shareholder approval, unless an exception applies. None of the exceptions to ASX Listing Rule 10.11 apply in respect of Resolution 8.

ASX Listing Rule 7.1 sets out the basic prohibition on an entity issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities. An issue in excess of the 15% limit can be made with the approval of holders of ordinary securities.

ASX Listing Rule 7.2 exception 14 provides that the issue of equity securities for which Shareholder approval has been obtained under ASX Listing Rule 10.11 will be treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 so long as the notice of meeting discloses this fact. This means that if Shareholder approval is obtained for the issue of the Employee Options under ASX Listing Rule 10.11, it is not separately required under ASX Listing Rule 7.1.

Resolution 8 seeks approval from the Shareholders for the purposes of ASX Listing Rule 10.11 for the issue of Employee Options to Mr Michael Ye.

### 10.3 Technical information required by ASX Listing Rule 10.15

For approvals under ASX Listing Rule 10.11, ASX Listing Rule 10.13 requires the Company to disclose certain information to Shareholders.

<b>Name of person to be issued the securities</b>	Michael Ye
<b>Maximum number of securities to be issued by the Company</b>	400,000 Employee Options
<b>Date by which the Company will issue the securities</b>	<p>ASX Listing Rule 10.13.3 requires the Employee Options to be issued no later than one (1) month after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of ASX Listing Rules).</p> <p>ASX has granted a waiver of the requirements of Listing Rule 10.13.3 on the conditions that:</p> <p>(a) Shareholders approve the issue of the Employee Options at the General Meeting;</p> <p>(b) the Employee Options are issued no later than 3 months after the date of the General Meeting; and</p> <p>(c) the Company releases the terms of the waiver to the market in this Notice of Meeting.</p>
<b>Issue price of the securities</b>	<p>The Employee Options are being issued for nil consideration.</p> <p>The Company will therefore not raise any capital from the issue.</p>
<b>Terms of the securities</b>	<p>The terms and conditions of the Employee Options are set out in Schedule 6.</p> <p>The Shares issued will be fully paid Ordinary Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.</p>
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

### 10.4 Restricted securities

Subject to the re-quotation of the Shares on ASX, some or all of the Shares, Options and Performance Rights to be issued to Michael Ye may be classified by ASX as restricted securities pursuant to the ASX

Listing Rules and may be held in escrow for up to 24 months from the date of re-quotation. During the period in which these Options and Performance Rights are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

#### **10.5 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 8 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### **10.6 Directors' recommendation**

The passing of Resolution 8 is conditional upon and subject to Resolutions 1 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 8, you should also vote in favour of Resolutions 1 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 8.

***The Directors recommend Shareholders vote in favour of Resolution 8.***

### **11 RESOLUTION 9 – ISSUE OF DIRECTOR OPTIONS TO ZHIXIAN LIN**

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#### **11.1 General**

The Board intends to appoint Ms Zhixian Lin as director of the Company on completion of the Acquisition.

To assist the Company to conserve cash and to align the interests of Ms Zhixian Lin with the Company, the Board intends to issue 100,000 Director Options at an exercise price of \$0.40 per share to Ms Zhixian Lin as part of her remuneration package.

If Resolution 9 is not passed, Ms Zhixian Lin will not be granted the Director Options. The Acquisition may still proceed, subject to Resolutions 1 to 7 being approved.

#### **11.2 Legal requirements**

Resolution 9 seeks approval from the Shareholders for the purposes of ASX Listing Rule 10.11 for the issue of up to 100,000 Director Options to Ms Zhixian Lin.

ASX Listing Rule 10.11 prohibits the Company from issuing equity securities to a related party of the Company, such as a Director, without the Company obtaining Shareholder approval, unless an exception applies. None of the exceptions to ASX Listing Rule 10.11 apply to Resolution 9.

#### **11.3 Technical information required by ASX Listing Rule 10.13**

For approvals under ASX Listing Rule 10.11, ASX Listing Rule 10.13 requires the Company to disclose certain information to Shareholders.

<b>Name of person to be issued</b>	Ms Zhixian Lin
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<b>the securities</b>	
<b>Maximum number of securities to be issued by the Company</b>	100,000 Director Options with an exercise price of \$0.40, expiring on 31 December 2020
<b>Date by which the Company will issue the securities</b>	<p>ASX Listing Rule 10.13.3 requires the Director Options to be issued no later than one (1) month after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of ASX Listing Rules).</p> <p>ASX has granted a waiver of the requirements of Listing Rule 10.13.3 on the conditions that:</p> <p>(a) Shareholders approve the issue of the Employee Options at the General Meeting;</p> <p>(b) the Employee Options are issued no later than 3 months after the date of the General Meeting; and</p> <p>(c) the Company releases the terms of the waiver to the market in this Notice of Meeting.</p>
<b>Issue price of the securities</b>	<p>The Director Options are being issued for nil consideration.</p> <p>The Company will therefore not raise any capital from this issue.</p>
<b>Terms of the securities</b>	The terms and conditions of the Director Options are set out in Schedule 6.
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

#### 11.4 Restricted securities

Subject to the re-quotation of the Shares on ASX, some or all of the Director Options to be issued to Ms Zhixian Lin may be classified by ASX as restricted securities pursuant to the ASX Listing Rules and may be held in escrow for up to 24 months from the date of re-quotation. During the period in which these Director Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

#### 11.5 No other material information

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 9 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### 11.6 Directors' recommendation

The passing of Resolution 9 is conditional upon and subject to Resolutions 1 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 9, you should also vote in favour of Resolutions 1 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 9.

***The Directors recommend Shareholders vote in favour of Resolution 9.***

## **12 RESOLUTION 10 – ISSUE OF OPTIONS TO EMPLOYEES**

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### **12.1 General**

In order to align the interests of DateTix's employees with that of the Company and shareholders, the Company has agreed to issue 1,100,000 Employee Options to employees of DateTix on the terms and conditions set out in Schedule 6.

Whether or not the Employees exercise the Employee Options to acquire Shares will be at their discretion. If Resolution 10 is not passed, the Employees of DateTix will not be granted the Employee Options. The Acquisition may still proceed, subject to Resolutions 1 to 7 being approved.

### **12.2 Legal requirements**

Resolution 10 seeks approval from the Shareholders for the purposes of ASX Listing Rule 7.1 for the issue of up to 1,100,000 Options.

ASX Listing Rule 7.1 sets out the basic prohibition on an entity issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities. Accordingly, if Resolution 10 is approved by Shareholders, the issue of up to 1,100,000 Employee Options to employees of DateTix will not be counted in the Company's 15% limit under ASX Listing Rule 7.1.

ASX Listing Rule 7.2 exception 4 provides that the issue of equity securities upon the conversion of convertible securities will be treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 so long as the entity complied with the ASX Listing Rules when issuing the convertible securities. Accordingly, if Resolution 10 is approved by Shareholders and any of the Attaching Options issued to Directors or Proposed Directors are subsequently converted into Shares, the Shares issued will not be counted in the Company's 15% limit under ASX Listing Rule 7.1.

### **12.3 Technical information required by ASX Listing Rule 7.3**

For approvals under ASX Listing Rule 7.1, ASX Listing Rule 7.3 requires the Company to disclose certain information to Shareholders.

<b>Name of person to be issued the securities</b>	An employee of DateTix or an associated entity of any of the above persons.
<b>Maximum number of securities to be issued by the Company</b>	The maximum number of securities issued will be (in aggregate) 1,100,000 Employee Options provided that none of the persons will hold a relevant interest of more than 20% in the Company as a result of the subscription.
<b>Date by which the Company will issue the securities</b>	ASX Listing Rule 7.3.3 requires securities to be issued no later than three (3) month after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of ASX Listing Rules).

<b>Issue price of the securities</b>	Nil. Employee Options are issued for nil consideration so no funds will be raised.
<b>Terms of the securities</b>	The Employee Options to be issued will be issued on the terms and conditions as the Company's set out in Schedule 6.
<b>Use of funds</b>	<ul style="list-style-type: none"> <li>• Not applicable.</li> </ul>
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

#### **12.4 No other material information**

There is no other material information known to the Company's Directors which may reasonably be expected to affect Shareholders' decision making as to whether or not to vote in favour of Resolution 10 other than what is set out in these Meeting Materials and has been previously disclosed to Shareholders.

#### **12.5 Directors' recommendation**

The passing of Resolution 10 is conditional upon and subject to Resolutions 1 to 7 (inclusive) being approved by Shareholders. Accordingly, if you intend to vote in favour of Resolution 10, you should also vote in favour of Resolutions 1 to 7 (inclusive).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 10.

***The Directors recommend Shareholders vote in favour of Resolution 10.***

### **13 ENQUIRIES**

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Shareholders are requested to contact the Company Secretary, Mr Garry Edwards on (+61 419 768 130) if they have any queries in respect of the matters set out in these Meeting Materials. If you do not understand these Meeting Materials or are unsure about how to vote in respect of a resolution, you should seek professional advice from your lawyer, accountant or other professional adviser.

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## GLOSSARY SECTION

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In the Explanatory Memorandum:

<b>Acquisition</b>	means the acquisition by the Company of 100% of the issued capital in DateTix Limited as set out in section 2.5.
<b>Agreement</b>	means the heads of agreement dated 17 June 2015 and the share sale and purchase agreement to be entered into by DateTix and Enverro.
<b>ASX</b>	means the Australian Securities Exchange, operated by ASX Limited ACN 008 624 691.
<b>ASX Listing Rules</b>	the official rules of the ASX.
<b>Board</b>	means the board of Directors of the Company.
<b>Capital Raising</b>	has the meaning given in section 9.1.
<b>Chair or Chairman</b>	means the chairman of the Meeting.
<b>Class A Performance Right</b>	means a Class A performance right issued in the capital of the Company on the terms set out in Schedule 2.
<b>Class B Performance Right</b>	means a Class B performance right issued in the capital of the Company on the terms set out in Schedule 3.
<b>Class C Performance Right</b>	means a Class C performance right issued in the capital of the Company on the terms set out in Schedule 4.
<b>Closely Related Party</b>	<p>of a member of the Key Management Personnel means:</p> <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of the member's spouse;</li><li>(c) a dependent of the member or the member's spouse;</li><li>(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;</li><li>(e) a company the member controls; or</li></ul> <p>a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.</p>
<b>Company or ERR</b>	means Enverro Limited can 009 027 178;
<b>Completion Date</b>	means the date on which the Acquisition is completed under the Agreement.
<b>Constitution</b>	means the constitution of Enverro Limited.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).

<b>DateTix</b>	means DateTix Limited, a company incorporate with Hong Kong.
<b>DateTix Vendors</b>	means each of: <ul style="list-style-type: none"> <li>(a) Michael Ye;</li> <li>(b) Global Market Place Limited;</li> <li>(c) Gold Resources Limited; and</li> <li>(d) Doulev Pty Ltd</li> </ul>
<b>Director</b>	means a director of the Company.
<b>Director Options</b>	means the 100,000 options to be issued to prospective director, Ms Zhixian Lin pursuant to Resolution 10, which are exercisable on a 1:1 basis at an exercise price of \$0.40, expiry on 31 December 2020 and otherwise on the terms and conditions detailed in Schedule 6.
<b>Employee Options</b>	means the 1,500,000 options to be issued to DateTix employees pursuant to Resolutions 8 and 9, which are exercisable on a 1:1 basis at an exercise price of \$0.40, vesting in 4 equal tranches of 25% upon 12, 24, 36 and 48 months after the date of grant, expire on 31 December 2020 and otherwise on the terms and conditions detailed in Schedule 6.
<b>Equity Raising</b>	means a capital raising by the Company by way of issue of Shares.
<b>Equity Securities</b>	includes a Share or an option, a convertible security and any security that ASX decides to classify as an equity security.
<b>Explanatory Memorandum</b>	means this explanatory memorandum that accompanies and forms part of the Notice of Meeting.
<b>Key Management Personnel</b>	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 executive or otherwise) of the Company, or if the Company is party of a consolidated entity, of an entity within the consolidated group.
<b>Meeting or General Meeting</b>	means the General Meeting of the Company to be convened by the Notice of Meeting (unless the context otherwise requires).
<b>Meeting Materials or Notice of Meeting</b>	means this Notice of Meeting, Explanatory Memorandum, Annexures, Schedules and Proxy Form.
<b>Ordinary Share or Share</b>	means fully paid Ordinary Shares in the Company.
<b>Performance Rights</b>	means the Class A Performance Right, Class B Performance Right and Class C Performance Right.
<b>Proposed Directors</b>	mean Michael Ye and Zhixian Lin
<b>Prospectus</b>	has the meaning given in section 9.1.



<b>Proxy Form</b>	means the proxy form accompanying the Notice of Meeting.
<b>Resolution</b>	means each resolution set out in the Notice of Meeting, or any one of them, as the context requires.
<b>Shares</b>	Ordinary Shares of the Company.
<b>Shareholder</b>	means a holder of one or more Shares.
<b>Transaction</b>	means the Acquisition, including the issue of Share and Performance Rights to the DateTix Vendors, and the Capital Raising.

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**SCHEDULE 1 – RISK FACTORS**

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The below list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders should the Acquisition be completed.

The below factors, and others not specifically referred to below, may in the future materially affect the financial performance of the Company and the value of the Company's securities.

The Company cannot guarantee its future earnings and cannot provide a guaranteed level of return to Shareholders. Therefore, the Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Shareholders should be aware that if Resolutions 1 to 7 (inclusive) are approved, the Company will be changing the nature and scale of its activities, which is subject to various risk factors. Based on the information available, a non-exhaustive list of risk factors are as follows:

**Risks relating to the Change in nature and scale of activities***Re-Quotation of Shares on ASX*

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

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, then the Acquisition will not be completed and the Shares may not be able to be traded on the ASX until such time as ASX, at its discretion, determines.

**Risks relating to the Acquisition and the Company***The Acquisition may not complete or may be delayed*

The Acquisition is subject to certain conditions precedent (refer to Section 2.5) being met, which include the Company receiving certain approvals from Shareholders (i.e. approval of Resolutions 1 to 7 (inclusive)) and ASX. Any delay in obtaining these approvals may delay completion of the Acquisition. Pursuant to the Agreement, if these approvals are not obtained on or before 17 November 2015, then the Acquisition may not complete at all.

*Limited operating history*

DateTix has a limited operating history and the potential of its business model is unproven. No assurances can be given that the DateTix will achieve commercial viability through the successful implementation of its business plans. Accordingly, there is no guarantee that the proposed marketing and pricing strategies will be successful to achieve a sizeable take up rate by users of its products and/or market share.

In addition, there is the risk that the DateTix application platform may not function as intended, including with respect to its stated scalability and coping with increasing numbers of users or client numbers. This may lead to the Company's reputation suffering amongst users and customers as well as potential claims for redress.

**Risks relating to the Company's industry and business following completion of the Acquisition**

### *Competition*

The Company is and will be competing against a number of other companies/businesses for clients and revenue. While DateTix is of the opinion that its business model is different to other competitors in the marketplace, the potential exists for the nature and extent of the competition to change rapidly, which may cause loss to the Company.

In addition, the emergence of new competitors in the market, or technological developments providing an alternative to the Company's products and services could adversely impact the Company's market share and cause downward price pressure on the Company's margins and revenue. Existing and new providers of dating services may respond aggressively to the Company's products and services and seek to regain market share and revenue, which could also impact adversely the Company's margins and revenue.

The Company will have relatively limited capital following completion of the Acquisition, and will compete against larger and more capitalised competitors. The barriers to entry for near or incumbent competitors to adopt and respond to DateTix's business are low, particularly before DateTix gains significant market penetration, and consequently the Company is vulnerable to the responses of the Competitors.

### *Reliance on key staff*

The business of DateTix relies significantly on the contribution of certain key employees and management personnel. The departure of the Chief Executive Officer and/or management personnel could impact the ability of the Company to perform.

### *Availability of IT staff*

The business of DateTix is reliant upon employees with specialist IT skills in order to develop and maintain its products and services. Any shortage of availability of these skills in the IT employment market could impair the development of the DateTix's products and business and the rate of such development. Such shortage could also cause wage inflation, which may impact on the Company's profitability.

### *Reliance on third party IT service provision*

DateTix's business utilises equipment, software and services provided by third parties to deliver its platform. Significant or extended disruption of this platform caused by supplied equipment, software or service failure may reduce the Company's ability to generate revenue, impact consumer service levels and damage the Company's brand. This could adversely affect the Company's ability to attract and retain clients, generate new business and cause it to suffer financial loss. Any mitigation of this loss via redress from third party suppliers may not be immediately available, if at all.

### *Reliance on core information technology and other systems*

The availability of DateTix's platform is dependent upon the performance, reliability and availability of its IT and communication systems. This includes computer servers and back-end processing systems that are hosted at external third party vendors. These systems may be adversely affected by a number of factors including major events such as acts of terrorism or war, a breakdown in utilities such as electricity and fibre optic cabling and even pandemics. Events of that nature may cause one or more of those core technologies to become unavailable.

There are also internal and external factors that may adversely affect those systems and technologies such as natural disasters, misuse by employees or contractors or other technical issues. The Company's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover loss or damage suffered as a result of a system failure.

Any damage to, or failure of, the Company's key systems can result in disruptions in the Company's ability to operate its platform. Such disruptions have the potential to reduce the Company's ability to generate revenue, attract and/or retain clients, impact service levels and damage the Company's brand. This could adversely affect the Company's ability to generate new business and cause it to suffer financial loss.

#### *Security breaches*

A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of customers' data and business systems used to run the platform at risk. The impact of loss or leakage of customer or business data could include costs for rebates, potential service disruption, litigation and brand damage resulting in reduced or falling revenues. The Company will ensure best practice in relation to security policies, procedures, automated and manual protections, encryption systems and staff screening to minimise this risk.

#### *Shortage of funding*

The funds raised under the Capital Raising will be used to accelerate the Company's business, marketing and growth plans. However, if the Company incurs unexpected costs or is unable to generate sufficient operating income further funding may be required. Any additional funding through Share issues is dependent upon market conditions at the time. Debt financing may not be available to support the scope and extent of proposed developments. If available, it may impose restrictions on operating activities or anticipated expansion of the Company's operations.

#### *Protection of intellectual property*

DateTix's intellectual property includes its software development, knowledge base of business operations, including user, industry and market behaviours, customer records and the experience of its management team and workforce. DateTix maintains strict security and monitoring its software code and customer records, including protection and restriction on physical access. DateTix encourages employee retention and through the use of competitive long-term employment contracts, confidentiality, noncompetition and invention agreements.

DateTix does not have any patents in place to protect its core intellectual property. Accordingly, the Company cannot be certain that the unauthorised use or access of intellectual property relevant to DateTix's business will not be undertaken by third parties to the detriment of the Company, its operations and business. In addition, there can be no guarantee that unauthorised use or copying of DateTix's software, data, specialised technology or algorithms will be prevented. Any unauthorised use, access or copying of DateTix's intellectual property could impact adversely on the Company's margins and revenue.

#### *Legal and regulatory risks*

DateTix's activities are subject to applicable local laws, regulations and to the relevant conditions applying in each jurisdiction in which it operates or intends to operate. Failure to comply with these

conditions may cause the Company to suffer significant damage through loss of opportunity and/or the imposition of penalties and fines.

Changes in government and/or statutory changes in jurisdictions in which the Company operates, or intends to operate, may affect the Company's business and its operations. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.

The DateTix platform operates within a complex corporate regulatory regime and some of the functionality within the platform available to clients may be novel and have not been offered by other competitors previously. While the Company will undertake all reasonable precautions to ensure that the product complies with all relevant laws, certain regulatory authorities or judicial bodies may have a different view. Certain groups or shareholders of clients may also seek to challenge the validity of votes cast using the platform. This could negatively impact upon the Company's business reputation and revenue, as well as lead to sunk legal costs regardless of the merits of such claims.

## **General Risks**

### *Share market*

There are general risks associated with any investment and the share market. The price of the Company's securities on the ASX may rise and fall depending on a range of factors beyond the Company's control and which are unrelated to the Company's financial performance.

These factors may include movements on international stock markets, interest rates and exchange rates, together with domestic and international economic conditions, inflation rates, investor perceptions, changes in government policy, commodity supply and demand, government taxation and royalties, war, global hostilities and acts of terrorism. There is no assurance that the price of the Shares will increase following completion of the Acquisition and the Company's re-quotation on ASX, even if the Company's revenues and/or earnings increase.

### *Government policies and legislation*

The Company's businesses and performance are affected generally by the fiscal or other policies (including taxation) that are adopted by government both in Australia and in the other jurisdictions in which the Company operates. Any change in regulation or policy may adversely affect the performance or financial position of the Company, either on a short-term or long-term basis. The Company may also be adversely affected by the pace or extent of such change.

### *General economic conditions*

The Company's business is affected by general economic conditions. A deterioration in economic conditions could lead to reductions in personal and business spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

### *Market risk and interest rate volatility*

From time to time, the Company may borrow money and accordingly will be subject to interest rates which may be fixed or floating. A change in interest rates would be expected to result in a change in the interest cost to the Company and, hence, may affect its financial performance.

### *Liquidity risk*

There is no guarantee that there will be an ongoing liquid market for the Company's securities. Accordingly, there is a risk that, should the market for the Company's securities become illiquid, Shareholders will be unable to realise their investment in the Company.

### *Risk of Shareholder dilution*

In the future, the Company may elect to issue Shares to engage in fundraisings and also to fund, or raise proceeds, for acquisitions the Company may decide to make. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Shares and fundraisings.

### *Litigation*

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business, particularly in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

### *Investment speculative*

Shareholders should regard an investment in the Company as speculative.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may, in the future, materially affect the financial performance of the Company and the value of the Company's securities.

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**SCHEDULE 2 – TERMS AND CONDITIONS OF ISSUE OF CLASS A PERFORMANCE RIGHTS**

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**1. Definitions**

Words with a capitalised letter in these Terms have the meaning given below:

<b>ASX</b>	the Australian Securities Exchange, operated by ASX Limited ACN 008 624 691.
<b>ASX Listing Rules</b>	the official rules of the ASX.
<b>Acquisition</b>	the acquisition of 100% of the issued capital in DateTix as set out in the heads of agreement announced on 17 June 2015.
<b>Class A Performance Hurdle</b>	the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$0.60 and achieving either:  a) \$100,000 or more in DateTix gross revenue over any six month period; or b) 250,000 cumulative downloads of all applications developed and owned by DateTix Ltd (now and in the future), across any/all mobile platforms (including but not limited to iOS/Android),  within 24 months of Settlement.
<b>Class A Performance Right</b>	a Class A performance right issued in the capital of Enverro on the terms set out in these Terms.
<b>Constitution</b>	the constitution of Enverro.
<b>Conversion Event</b>	the achievement the Class A Performance Hurdle.
<b>DateTix</b>	DateTix Limited (an entity incorporated in Hong Kong).
<b>Deal</b>	to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, or otherwise deal with any right, title or interest, or agreement to do any of these actions.
<b>Directors</b>	the directors of Enverro, as appointed pursuant to the Constitution from time to time.
<b>Holder</b>	a holder of a Class A Performance Right.
<b>Enverro or Company</b>	Enverro Limited ACN 009 027 178.
<b>Settlement</b>	the settlement of the acquisition of DateTix Limited by Enverro.
<b>Share</b>	a fully paid ordinary share in the Company.
<b>Shareholder</b>	the holder of one or more Shares.

<b>Terms</b>	these terms of issue which apply to the Class A Performance Right.
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## 2. Interpretation

Grammatical variations of any words or phrases defined in clause 1 have a corresponding meaning.

## 3. Class A Performance Rights

- (a) The Class A Performance Rights are issued with the rights and on the terms set out in these Terms.
- (b) These Terms have been determined by the Directors in accordance with clause 2.1 of the Constitution.
- (c) These Terms prevail to the extent of any inconsistency with the Constitution.
- (d) Once a Conversion Event occurs in respect of the Class A Performance Rights, the Class A Performance Rights will no longer be governed by these Terms, but will be converted into Shares in the capital of Enverro in accordance with clause 4 and their terms will be varied so that they are subject to the same rights and terms as all other fully paid Shares.

## 4. Conversion

- (a) Subject to paragraph 4(b) each Class A Performance Rights will automatically convert into 1 Share if the Class A Performance Hurdle is met.
- (b) The Class A Performance Hurdle must be met by the date that is 24 months from the date of Settlement (**Expiry Date**).
- (c) If the Class A Performance Hurdle is not met by the Expiry Date, the Class A Performance Rights held by each Holder will automatically lapse and consequently terminate.
- (d) All Class A Performance Rights on issue shall automatically lapse (as at the date of any of the following events) upon the happening of any of the following events:
  - (i) the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or
  - (ii) the announcement by Enverro that Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Enverro securities are to be either:
    - (A) cancelled; or
    - (B) transferred to a third party; and
 the Court, by order, approves the proposed scheme of arrangement.

## 5. Voting rights

Each Holder shall have the right to receive notice of and attend but not to vote at any meeting of Shareholders in respect of their Performance Rights.

## 6. Dividends



The Class A Performance Rights shall not have any right to receive dividends (whether cash or non-cash) from the profits of Enverro at any time.

**7. Dealings**

A Holder must not Deal with the Class A Performance Rights.

**8. Access to documents and information**

A Holder has the right to receive notices of general meetings and financial reports and accounts of Enverro that are circulated to Shareholders of Enverro, and a right to attend a meeting of Shareholders of Enverro.

**9. Other terms and conditions**

- (a) A Holder will not be entitled to a return of capital, whether in a winding up, upon reduction of capital or otherwise.
- (b) There are no participating rights or entitlements inherent in the Class A Performance Rights and Holders will not be entitled to participate in new issues or pro-rata issues of capital to Enverro's Shareholders.
- (c) Enverro will issue each Holder with a new holding statement for Shares issued upon conversion of a Class A Performance Rights as soon as practicable following the conversion of a Class A Performance Rights.
- (d) The Class A Performance Rights will be unquoted.
- (e) The Class A Performance Rights are not transferable.
- (f) All Shares issued upon conversion will rank equally in all respects with Enverro's then issued Shares. Enverro must, within the time period required by the ASX Listing Rules apply to the ASX for quotation of the Shares on ASX.
- (g) A Class A Performance Right does not give the Holder any other rights other than those expressly provided by these Terms and those provided at law where such rights cannot be excluded.
- (h) The Terms of the Class A Performance Rights may be amended as necessary by the Directors of Enverro in order to comply with the ASX Listing Rules or any directions of the ASX regarding the terms.

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**SCHEDULE 3 – TERMS AND CONDITIONS OF ISSUE OF CLASS B PERFORMANCE RIGHTS**

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**1. Definitions**

Words with a capitalised letter in these Terms have the meaning given below:

<b>ASX</b>	the Australian Securities Exchange, operated by ASX Limited ACN 008 624 691.
<b>ASX Listing Rules</b>	the official rules of the ASX.
<b>Acquisition</b>	the acquisition of 100% of the issued capital in DateTix as set out in the heads of agreement announced on 17 June 2015.
<b>Class B Performance Hurdle</b>	the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$0.80 and achieving either:  a) \$250,000 or more in DateTix gross revenue over any six month period; or b) 500,000 cumulative downloads of all applications developed and owned by DateTix Ltd (now and in the future), across any/all mobile platforms (including but not limited to iOS/Android), within 36 months of Settlement.
<b>Class B Performance Rights</b>	a Class B performance right issued in the capital of Enverro on the terms set out in these Terms.
<b>Constitution</b>	the constitution of Enverro.
<b>Conversion Event</b>	the achievement the Class B Performance Hurdle.
<b>DateTix</b>	DateTix Limited (an entity incorporated in Hong Kong).
<b>Deal</b>	to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, or otherwise deal with any right, title or interest, or agreement to do any of these actions.
<b>Directors</b>	the directors of Enverro, as appointed pursuant to the Constitution from time to time.
<b>Holder</b>	a holder of Class B Performance Right.
<b>Enverro or Company</b>	Enverro Limited ACN 009 027 178.
<b>Settlement</b>	the settlement of the acquisition of DateTix Limited by Enverro.
<b>Share</b>	a fully paid ordinary share in the Company.
<b>Shareholder</b>	the holder of one or more Shares.

<b>Terms</b>	these terms of issue which apply to the Class B Performance Rights.
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## 2. Interpretation

Grammatical variations of any words or phrases defined in clause 1 have a corresponding meaning.

## 3. Class B Performance Rights

- (a) The Class B Performance Rights are issued with the rights and on the terms set out in these Terms.
- (b) These Terms have been determined by the Directors in accordance with clause 2.1 of the Constitution.
- (c) These Terms prevail to the extent of any inconsistency with the Constitution.
- (d) Once a Conversion Event occurs in respect of the Class B Performance Rights, the Class B Performance Rights will no longer be governed by these Terms, but will be converted into Shares in the capital of Enverro in accordance with clause 4 and their terms will be varied so that they are subject to the same rights and terms as all other fully paid Shares.

## 4. Conversion

- (a) Subject to paragraph 4(b) each Class B Performance Right will automatically convert into 1 Share if the Class B Performance Hurdle is met.
- (b) The Class B Performance Hurdle must be met by the date that is 36 months from the date of Settlement (**Expiry Date**).
- (c) If the Class B Performance Hurdle is not met by the Expiry Date, the Class B Performance Rights held by each Holder will automatically lapse and consequently terminate.
- (d) All Class B Performance Rights on issue shall automatically lapse (as at the date of any of the following events) upon the happening of any of the following events:
  - (iii) the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or
  - (iv) the announcement by Enverro that Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Enverro securities are to be either:
    - (A) cancelled; or
    - (B) transferred to a third party; and
 the Court, by order, approves the proposed scheme of arrangement.

## 5. Voting rights

Each Holder shall have the right to receive notice of and attend but not to vote at any meeting of Shareholders in respect of their Performance Rights.

## 6. Dividends

The Class B Performance Rights shall not have any right to receive dividends (whether cash or non-cash) from the profits of Enverro at any time.

**7. Dealings**

A Holder must not Deal with the Class B Performance Rights.

**8. Access to documents and information**

A Holder has the right to receive notices of general meetings and financial reports and accounts of Enverro that are circulated to Shareholders of Enverro, and a right to attend a meeting of Shareholders of Enverro.

**9. Other terms and conditions**

- (a) A Holder will not be entitled to a return of capital, whether in a winding up, upon reduction of capital or otherwise.
- (b) There are no participating rights or entitlements inherent in the Class B Performance Rights and Holders will not be entitled to participate in new issues or pro-rata issues of capital to Enverro's Shareholders.
- (c) Enverro will issue each Holder with a new holding statement for Shares issued upon conversion of a Class B Performance Rights as soon as practicable following the conversion of a Class B Performance Rights.
- (d) The Class B Performance Rights will be unquoted.
- (e) The Class B Performance Rights are not transferable.
- (f) All Shares issued upon conversion will rank equally in all respects with Enverro's then issued Shares. Enverro must, within the time period required by the ASX Listing Rules apply to the ASX for quotation of the Shares on ASX.
- (g) A Class B Performance Right does not give the Holder any other rights other than those expressly provided by these terms and those provided at law where such rights cannot be excluded.

The terms of the Class B Performance Rights may be amended as necessary by the Directors of Enverro in order to comply with the ASX Listing Rules or any directions of the ASX regarding the terms.

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**SCHEDULE 4 – TERMS AND CONDITIONS OF ISSUE OF CLASS C PERFORMANCE RIGHTS**

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**1. Definitions**

Words with a capitalised letter in these Terms have the meaning given below:

<b>ASX</b>	the Australian Securities Exchange, operated by ASX Limited ACN 008 624 691.
<b>ASX Listing Rules</b>	the official rules of the ASX.
<b>Acquisition</b>	the acquisition of 100% of the issued capital in DateTix as set out in the heads of agreement announced on 17 June 2015.
<b>Class C Performance Hurdle</b>	<p>the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$1.00 and achieving either:</p> <ul style="list-style-type: none"><li>a) \$500,000 or more in DateTix gross revenue over any six month period; or</li><li>b) 1,000,000 cumulative downloads of all applications developed and owned by DateTix Ltd (now and in the future), across any/all mobile platforms (including but not limited to iOS/Android),</li></ul> <p>within 48 months of Settlement.</p>
<b>Class C Performance Rights</b>	a Class C performance right issued in the capital of Enverro on the terms set out in these Terms.
<b>Constitution</b>	the constitution of Enverro.
<b>Conversion Event</b>	the achievement the Class C Performance Hurdle.
<b>DateTix</b>	DateTix Limited (an entity incorporated in Hong Kong).
<b>Deal</b>	to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, or otherwise deal with any right, title or interest, or agreement to do any of these actions.
<b>Directors</b>	the directors of Enverro, as appointed pursuant to the Constitution from time to time.
<b>Holder</b>	a holder of Class C Performance Rights.
<b>Enverro or Company</b>	Enverro Limited ACN 009 027 178.
<b>Settlement</b>	the settlement of the acquisition of DateTix Limited by Enverro.
<b>Share</b>	a fully paid ordinary share in the Company.

<b>Shareholder</b>	the holder of one or more Shares.
<b>Terms</b>	these terms of issue which apply to the Class C Performance Rights.

## 2. Interpretation

Grammatical variations of any words or phrases defined in clause 1 have a corresponding meaning.

## 3. Class C Performance Rights

- (a) The Class C Performance Rights are issued with the rights and on the terms set out in these Terms.
- (b) These Terms have been determined by the Directors in accordance with clause 2.1 of the Constitution.
- (c) These Terms prevail to the extent of any inconsistency with the Constitution.
- (d) Once a Conversion Event occurs in respect of the Class C Performance Rights, the Class C Performance Rights will no longer be governed by these Terms, but will be converted into Shares in the capital of Enverro in accordance with clause 4 and their terms will be varied so that they are subject to the same rights and terms as all other fully paid Shares.

## 4. Conversion

- (a) Subject to paragraph 4(b) each Class C Performance Rights will automatically convert into 1 Share if the Class C Performance Hurdle is met.
- (b) The Class C Performance Hurdle must be met by the date that is 48 months from the date of Settlement (**Expiry Date**).
- (c) If the Class C Performance Hurdle is not met by the Expiry Date, the Class C Performance Rights held by each Holder will automatically lapse and consequently terminate.
- (d) All Class C Performance Rights on issue shall automatically lapse (as at the date of any of the following events) upon the happening of any of the following events:
  - (v) the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or
  - (vi) the announcement by Enverro that Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Enverro securities are to be either:
    - (A) cancelled; or
    - (B) transferred to a third party; and
 the Court, by order, approves the proposed scheme of arrangement.

## 5. Voting rights

Each Holder shall have the right to receive notice of and attend but not to vote at any meeting of Shareholders in respect of their Performance Rights.

**6. Dividends**

The Class C Performance Rights shall not have any right to receive dividends (whether cash or non-cash) from the profits of Enverro at any time.

**7. Dealings**

A Holder must not Deal with the Class C Performance Rights.

**8. Access to documents and information**

A Holder has the right to receive notices of general meetings and financial reports and accounts of Enverro that are circulated to Shareholders of Enverro, and a right to attend a meeting of Shareholders of Enverro.

**9. Other terms and conditions**

- (a) A Holder will not be entitled to a return of capital, whether in a winding up, upon reduction of capital or otherwise.
- (b) There are no participating rights or entitlements inherent in the Class C Performance Rights and Holders will not be entitled to participate in new issues or pro-rata issues of capital to Enverro's Shareholders.
- (c) Enverro will issue each Holder with a new holding statement for Shares issued upon conversion of a Class C Performance Right as soon as practicable following the conversion of a Class C Performance Right.
- (d) The Class C Performance Rights will be unquoted.
- (e) The Class C Performance Rights are not transferable.
- (f) All Shares issued upon conversion will rank equally in all respects with Enverro's then issued Shares. Enverro must, within the time period required by the ASX Listing Rules apply to the ASX for quotation of the Shares on ASX.
- (g) A Class C Performance Right does not give the Holder any other rights other than those expressly provided by these terms and those provided at law where such rights cannot be excluded.
- (h) The terms of the Class C Performance Rights may be amended as necessary by the Directors of Enverro in order to comply with the ASX Listing Rules or any directions of the ASX regarding the terms.

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**SCHEDULE 5 – ALLOCATION OF PERFORMANCE RIGHTS**

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<b>DateTix shareholder</b>	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>	<b>Total Performance Rights</b>
Michael Ye*	1,454,545	1,454,545	1,454,545	4,363,635
Gold Resources	1,200,000	1,200,000	1,200,000	3,600,000
Global Marketplace Limited	1,105,455	1,105,455	1,105,455	3,316,365
Doulev Pty Ltd	240,000	240,000	240,000	720,000
<b>Total</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>12,000,000</b>

\*Michael Ye is a proposed director of Enverro following the completion of the acquisition of DateTix by Enverro.



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## SCHEDULE 6 – TERMS AND CONDITIONS OF ISSUE OF DIRECTOR/EMPLOYEE OPTIONS

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The terms and conditions attaching to the Director/ Employee Options are set out below:

- (a) Each Option (**Option**) entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) at an exercise price of \$0.40 (**Exercise Price**).
- (b) Subject to clause (c), the Options are exercisable at any time on or before 5.00pm Eastern Standard Time on 31 December 2020 (**Expiry Date**).
- (c) In the case of the Employee Options only, 25% of the Options granted to each employee, vest in 4 equal tranches upon 12, 24, 36 and 48 months of the date of grant.
- (d) Any Options which have not previously vested or have not exercised by the Expiry Date shall lapse.
- (e) Options may only be exercised in multiples of 1,000.
- (f) Options may not be exercised if the effect of such exercise and subsequent allotment of the Shares would be to create a holding of less than a marketable parcel of Shares, unless the allottee is already a Shareholder at the time of exercise.
- (g) Exercise of the Option is affected by completing a notice of exercise of option and delivering it to the registered office of the Company together with payment of \$0.40 per Option exercised.
- (h) All Shares issued upon exercise of the Options and payment of the Exercise Price will rank equally in all respects with the Company's then existing Shares. The Company will apply for quotation by ASX of all Shares issued upon exercise of the Options within the time period required by ASX.
- (i) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new entitlement issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (j) In the event of any reconstruction, including a consolidation, subdivision, reduction or return of the issued capital of the Company prior to the Expiry Date, the number of Options which each holder is entitled or the Exercise Price of the Options or both will be reconstructed as appropriate in a manner which is in accordance with the Listing Rules and will not result in any benefits being conferred on Option holders which are not conferred on Shareholders, subject to such provision with respect to the rounding of entitlements as may be sanctioned by the meeting of Shareholders approving the reconstruction of capital but in all other respects the terms of exercise of the Options will remain unchanged. The rights of an Option holder may be changed to comply with the Listing rules applying to a reorganisation of capital at the time of the reconstruction.
- (k) Shares allotted and issued pursuant to the exercise of an Option will be allotted and issued not more than 14 days after the receipt of a proper notice and payment of the exercise price in respect of the Options exercised.

**ANNEXURE A – UNAUDITED PRO-FORMA STATEMENT OF FINANCIAL POSITION**

<b>ENVERRO LTD CONSOLIDATED PROFORMA BALANCE SHEET AS AT 30 JUNE 2015</b>						
	<b>ACTUAL (Audited) 2015</b>	<b>PROFORMA ADJUSTMENTS</b>			<b>PROFORMA BALANCE SHEET POST TRANSACTION</b>	
		<b>CAPITAL RAISING</b>	<b>CAPITAL RAISING</b>	<b>ACQUISITION OF DATETIX LTD</b>		
		Minimum subscription (note 1)	Maximum subscription (note 2)	(note 3)	Minimum subscription of \$2 million	Maximum subscription of \$3.0 million
	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	1,622,226	1,818,000	2,754,000	290,430	3,730,656	4,666,656
Trade and other receivables	200,650				200,650	200,650
Other	6,988			11,254	18,242	18,242
<b>Total Current Assets</b>	<b>1,829,864</b>				<b>3,949,548</b>	<b>4,885,548</b>
<b>Non-current assets</b>						
Property, plant and equipment	29,934				29,934	29,934
Intangibles	135,000				135,000	135,000
Goodwill	-			5,693,267	5,693,267	5,693,267
<b>Total Non- Current Assets</b>	<b>164,934</b>				<b>5,858,201</b>	<b>5,858,201</b>
<b>Total assets</b>	<b>1,994,798</b>				<b>9,807,749</b>	<b>10,743,749</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade and other payables	458,395			18,950	477,345	477,345
Loan to related party				14,227	14,227	14,227
Borrowings	9,992				9,992	9,992
<b>Total Current Liabilities</b>	<b>468,387</b>				<b>501,564</b>	<b>501,564</b>

<b>Non-current liabilities</b>						
Borrowings	17,508				17,508	17,508
<b>Total Non-current Liabilities</b>	<b>17,508</b>				<b>17,508</b>	<b>17,508</b>
<b>Total liabilities</b>	<b>485,895</b>				<b>519,072</b>	<b>519,072</b>
<b>Net (liabilities) / assets</b>	<b>1,508,903</b>				<b>9,288,677</b>	<b>10,224,677</b>
<b>EQUITY</b>						
Contributed equity	5,868,520	1,872,600	2,827,800	5,000,000	12,741,120	13,696,320
Reserves	228,108			1,128,774	1,356,882	1,356,882
Accumulated losses	(4,587,725)	(54,600)	(73,800)	(167,000)	(4,809,325)	(4,828,525)
<b>Total equity</b>	<b>1,508,903</b>				<b>9,288,677</b>	<b>10,224,677</b>

Note 1 The minimum capital raising consists of 5,000,000 fully paid ordinary shares at \$0.40 per share, raising \$2,000,000 before costs of \$182,000 for the issue.

Note 2 The maximum capital raising consists of 7,500,000 fully paid ordinary shares at \$0.40 per share, raising \$3,000,000 before costs of \$246,000 for the issue.

Note 3 The consideration for the acquisition of the DateTix Limited business will consist of 12,500,000 fully paid ordinary shares with estimated fair value of \$0.40 per share, a total of \$5,000,000, plus 12,000,000 performance rights with estimated fair value of \$1,128,774. The fair value of the ordinary shares has been included in contributed equity and the fair value of the performance rights included in Reserves.

The fair value of the net identifiable assets to be acquired is \$435,507 and the balance of the fair value of consideration, being \$5,693,267 has been treated as goodwill on acquisition.

Estimated transaction costs of \$167,000 related to the DateTix acquisition have been deducted from cash and cash equivalents and included in accumulated losses.

**Industry Background of the DateTix business**

The social networking and online dating industries are currently undergoing significant increases in scale and growth as a result of significant technology and consumer trends:

- *Rapid Growth of Smartphones and Mobile Internet Penetration.* The number of global smartphone users has grown substantially due to rapid technological development, network enhancement and increasing affordability of smartphones. According to eMarketer, a third-party market research firm, the number of smartphone users globally will grow at a 12% CAGR from 1.64 billion in 2014 to 2.56 billion in 2018. The proliferation of smartphones enables large audiences to enjoy social networking and online dating services whenever and wherever they want, either through mobile websites or smartphone applications ("apps"). IDC estimates that worldwide hours per month spent online on mobile devices will grow at a 39% CAGR from 12 billion in 2012 to 63 billion in 2017, while mobile spending on consumer paid content will grow at a 33% CAGR from US\$9.7 billion in 2012 to US\$40 billion in 2017.
- *Increasing Usage of Social Networking and Online Dating Apps to Meet New People.* The proliferation of free-to-play smartphone apps have significantly expanded and broadened the population of potential users of social networking and online dating apps to meet new people. Free-to-play business models have significantly increased the revenue potential of many apps by eliminating upfront pay barriers and download costs, and instead offering optional in-app purchases that further enhance the user experience throughout the lifetime of a user's app experience.
- *Emergence of App Stores as Key Distribution and Payment Gateways.* Mobile platforms and social networks have opened their platforms to developers, transforming the distribution and consumption of digital content. Developers can now distribute apps to a global audience and refresh these with regular content and feature updates. Key distribution platforms such as the Apple App Store and the Google Play Store provide integrated payment systems that allow users to make frequent small purchases in a convenient way with minimal friction using trusted infrastructure. According to Gartner, mobile app stores total downloads worldwide are expected to reach 268 billion and US\$77 billion in total revenue worldwide in 2017.

**Market Opportunity**

DateTix believe that its addressable market is global in nature and very large.

Meeting, dating and socialising with people are important and enjoyable aspects of life. However, most people lack the social networks necessary to meet interesting new people around them on a regular basis. DateTix believes that it is able to effectively address and fulfill this important need by leveraging mobile and location-based technology to enable a higher degree of social connectivity and engagement than what was possible before the proliferation of smartphones. By combining its focus on building a critical mass of members in each local market with an open-ended platform across a diverse range of intentions (e.g. friendship, business networking, casual dating, serious relationship, marriage) and occasions (e.g. lunch, dinner, drinks, movies, concerts, dancing, cultural and sporting events, trips and vacations), DateTix believes that it is poised to deliver and capture substantial value across its addressable markets.

DateTix's platform enables it to monetize its member base across multiple points in their relationship cycle, with its immediate addressable markets being facilitating initial introductions (dating services market) and selecting local merchants for dates (mobile Internet advertising market). Longer term, DateTix plans to explore additional complementary addressable markets, including selling vouchers to dates at local merchants (local commerce market):

- *Global Dating Services Market.* The global dating services market is large and highly fragmented.

According to IBISWorld, in the United States alone, the dating services market is expected to reach US\$2.4 billion in 2015, with online dating, mobile dating, matchmakers and singles events accounting for 48.7%, 26.2%, 14.2%, 6.7% of the market, respectively. In particular, the mobile online dating app market in the United States is estimated to reach US\$629 million this year, up from \$572 million in 2014. The global dating services market is significantly larger than the United States, with rapid growth in online dating app usage driven by the proliferation of smartphones. According to GlobalWebIndex, there are more than 91 million people worldwide that use online dating apps in 2015, with approximately 62% of those users being men, and 70% between the ages of 16 and 34. By adopting a free-to-play business model with in-app purchases, DateTix believes it will be able to capture substantial user and revenue share of the large and fast growing online dating app market globally.

- *Global Mobile Internet Advertising Market.* The global mobile Internet advertising market is expected to grow at a 32% CAGR from US\$31.45bn in 2014 to US\$94.91bn in 2018, according to eMarketer. The unique advantages of mobile social networking and online dating apps are increasingly valued by advertisers. The close personal interaction and frequent communication among members of DateTix's location-based mobile apps allow its advertisers to target specific audiences and geographic regions, thus improving advertising effectiveness. As DateTix's member base grows within each local market, its mobile Internet advertising solutions will become increasingly valued by local merchants. DateTix ads could be presented to its members in formats that are natural, integrated and relevant, in order to achieve a balance between high quality user experience for its members and high ad effectiveness for its advertisers. DateTix's strategy centers on the belief that more relevant ad products are more valuable for both its members and advertisers.

- *Global Local Commerce Market.* The global local commerce market is a multi-trillion dollar market. Given its exclusive focus on in person and on-demand dates at local merchants such as restaurants, bars and movie theaters, DateTix has the opportunity to capture a share of this massive market through selling vouchers to the dates that it facilitate between its members. DateTix may partner with selected and verified local merchants to provide a high quality dating experience for its members.

### ***How DateTix Create Value for its Members***

DateTix believes it will create significant value for its members by connecting like-minded people with each other at significant scale and on a global basis. DateTix provides the following key benefits to its members:

- *In Person and On-Demand Dates.* In contrast to other social networking and online dating services that are mainly focused on online interactions with no clear timeline for in person dates, DateTix's entire platform revolves around facilitating in person and on-demand dates at specific times and venues. DateTix believes in person dates create significantly more value for its members than just online interactions. Its personalized mobile applications make it easy for its members to use DateTix to request in person and on-demand dates whenever and wherever they want to meet new people, for just about anything.
- *Broad Selection of People and Dates.* By focusing on building a critical mass of members in each market that DateTix enters, DateTix is able to offer its members a broad selection of people and dates to choose from. Members who host dates will be able to select from a large number of other members who applied to their dates, while members who browse for dates will be able to apply to a diverse range of upcoming dates that are being hosted at local merchants near them.
- *High Levels of Privacy and Safety.* DateTix's members have a high degree of control and discretion over what information they share about themselves in the DateTix profiles that they create and manage. Each member's profile is only shown to other members who meet his or her filter criteria, and is not available, accessible or searchable by other members, non-members or the general public. To provide a safe dating experience for its members, DateTix requires all dates to be hosted at local merchants that are in highly visible public areas, and which have been carefully selected by its local community managers. DateTix also provides a

review and feedback system that can be used to report inappropriate, offensive, or dangerous behaviour by any of DateTix's members.

### ***How DateTix Create Value for Local Merchants***

DateTix believes it will create significant value for local merchants by serving as an additional marketing and customer acquisition channel. DateTix provides the following key benefits to local merchants:

- ***Broad and Targeted Reach.*** DateTix platform and advertising solutions help local merchants reach and get discovered by a large audience of potential customers in their local areas, targeted by their geographic proximity to each local merchant using location-based technology.
- ***High Purchase Intent.*** Local merchants are an integral part of DateTix's platform and are prominently highlighted and presented to DateTix members at the specific moment when they are searching for a local merchant to host their date. This leads to high purchase rates and drives measurable revenues for local merchants.
- ***Measurable Performance-Based Advertising.*** DateTix's ability to precisely track the number of dates that have been hosted at each local merchant enables it to sell highly measurable performance-based advertising to local merchant advertisers based on number of dates hosted. In addition, DateTix is also able to sell featured listings that highlight and rank local merchants at or near the top of relevant search results, leading to increased awareness, exposure and number of dates hosted.

### **Competitive Strengths of the DateTix Business**

#### ***Exclusive Focus on In Person and On-Demand Dates***

DateTix is exclusively focused on facilitating in person and on-demand dates for its members at selected and verified local merchants. DateTix believes such distinct positioning clearly communicates its value proposition and differentiates it from its competitors, and will enable DateTix to become a well-known and trusted brand for meeting new people for just about anything, anytime, anywhere in the world.

#### ***Powerful Two-Sided and Localised Network Effects***

In any given local market, the value of DateTix's platform is driven by network effects that depend on the number of dates being hosted and the number of dates being applied to. As DateTix increases the number of members hosting dates, it becomes a more compelling platform for members browsing for dates. As DateTix increases the number of members browsing for dates, it generates more applications for and becomes more compelling to members hosting dates. The result is a self-reinforcing, mutually beneficial, two-sided local network. As each two-sided local network grows, both sides will be willing to pay higher rates to receive better exposure to the other side, resulting in increasing levels of average revenue per member for the DateTix platform.

#### ***Significant Barriers to Entry***

DateTix believes that the powerful two-sided local networks and strong brand recognition that it aims to develop will become significant barriers to entry in each local market that DateTix operates in. By building the largest two-sided network in each local market, DateTix will be able to deliver a higher value proposition to its members than its competitors with smaller local networks. DateTix believes the breadth and depth of its local networks will be difficult to replicate and represents a significant long-term competitive advantage. In addition, DateTix believes that in most markets around the world, it will be widely recognized by consumers as the first online dating brand to exclusively focus on in person and on-demand dates, which will in turn help DateTix become the platform of choice for people looking to meet someone new.

#### ***Attractive Business Model***

DateTix has an asset-light and globally scalable business model with diverse revenue streams, low variable costs, and minimal physical presence. DateTix plans to monetize its user base in multiple ways to build large and diverse revenue streams, including the sale of virtual items, premium subscriptions, advertising and e-commerce. As DateTix's platform scales globally, for each additional date hosted on its platform, DateTix incurs almost no incremental variable costs other than hosting and bandwidth costs. By using app stores as key distribution and payment gateways, DateTix is able to rapidly market and distribute its products and services to a global audience with minimal physical presence.

### ***Proprietary Technology Platform***

DateTix has developed a robust and scalable proprietary technology platform. DateTix performs large scale real-time data and computational analysis, and categorize and query large sets of structured and unstructured data to deliver highly personalized and relevant matches to each DateTix member using its proprietary filtering and matching algorithms. The real-time communications infrastructure enables members to chat in real-time in a reliable manner, while a unified back-end infrastructure allows DateTix to easily localize its apps for any language and market, and cost-effectively introduce new features and updates on a global basis.

### **Current Status of the DateTix Business**

DateTix is finalising the development of its proprietary iOS and Android-based mobile applications that will facilitate in-person and on demand dates for its members. DateTix plans to launch its mobile applications in the Hong Kong Market in October 2015, followed by launches in other major cities in Asia Pacific in 2016.

### **Growth Strategies of the DateTix Business**

DateTix is in the early days of pursuing its mission to make it easy to meet new people anywhere. Following the completion of the Acquisition, DateTix has significant growth and monetisation opportunities to further enhance the value it delivers to its members, merchants and advertisers. Key elements of DateTix's growth strategies are detailed below.

### ***Amplify Network Effects in Initial Markets***

Given the importance of geographic proximity for in person and on-demand dates, it is critical for DateTix to establish a high density of members within each local market to amplify network effects. DateTix intends to achieve clear market leadership in each of its markets by building, growing and cultivating a vibrant and thriving local ecosystem of date hosts and date applicants. As the DateTix member base grows in a given market, its members will incrementally benefit from increasing numbers of nearby and relevant matches. DateTix intends to build the leading local marketplace for dates in its initial markets by growing its member base primarily through multiple online and offline channels, including social media, paid online marketing, events, word-of-mouth referrals and public relations.

### **Expand into New Geographic Markets**

DateTix intends to continually expand into new geographic markets around the world by localising its platform and replicating its successful marketing and user acquisition strategies in its initial markets. DateTix plan to fully leverage the global scalability of its technology platform to rapidly expand into major markets around the world that are characterized by large and relatively affluent populations of smartphone users, including China, the United States, India, Japan, Germany, United Kingdom, South Korea, France, Italy, Spain, Canada and Australia. DateTix believes that establishing first mover advantage in many of these markets will be key to maximising the long term scale and growth of its global platform.

### **Enhance DateTix User Experience and Technology Platform**

Member experience is key to the long-term success of the DateTix business. By fostering a culture of ongoing product innovation, DateTix intends to continually evaluate, develop and introduce new features and technologies that enhance the member experience and lead to higher levels of growth and engagement. DateTix's quality assurance team will communicate with members and local merchants on a regular basis to quickly identify, anticipate and address their needs. DateTix intends to build tools for data analytics that will be used by its data analytics team to analyze vast and growing amounts of real-time data generated by millions of members, in order to develop an in-depth understanding of its members and their preferences, behavioural patterns and engagement levels.

#### **Increase Monetisation While Creating Value for DateTix Users**

DateTix intends to leverage its scalable business model to further monetize its platform while adding value to its users. In addition to the sale of virtual items that are primarily used to host and apply to dates, DateTix plans to increase its revenues from premium subscriptions by increasing the number of benefits that premium subscribers enjoy, including discounted date tickets, and access to premium filters. DateTix also plans to grow the advertising business by leveraging its location-based services to sell performance-based ads and featured listings to local merchants and advertisers. Longer term, DateTix plans to grow its e-commerce business by selling vouchers that can be redeemed at the local merchants who are providing the dates that DateTix facilitates between its members. Furthermore, DateTix intends to build a portfolio of exclusive local deals and vouchers that are available only to the premium subscribers, to encourage more of its members to upgrade to premium subscriptions.

#### **Pursue Strategic Partnerships and Acquisitions**

DateTix intends to selectively pursue strategic partnerships and acquisitions that accelerate the growth of its member base in existing and new markets, enable DateTix to expand into strategically complementary adjacent businesses, or enhance its technology platform and talent base.





20 August 2015

The Directors  
Enverro Limited  
Suite 25, 145 Stirling Highway  
NEDLANDS WA 6009

Dear Sirs,

**Independent Expert's Report on the Proposal to acquire 100% of  
the Issued Share Capital of DateTix Limited**

**1. INTRODUCTION**

***Background***

- 1.1 Enverro Limited ("Enverro" or "the Company") listed on the Australian Securities Exchange ("ASX") on 5 December 2014 and is a developer of a cloud-based workforce management platform built specifically for the energy and resources sectors.
- 1.2 As announced to the market on 17 June 2015, Enverro has entered into a Heads of Agreement ("HOA") which grants Enverro an option to acquire 100% of the issued shares in DateTix Limited ("DateTix").
- 1.3 DateTix is a Hong Kong based company which operates a mobile and cloud-based marketplace for people to host, discover, and go on real life dates.
- 1.4 Consideration for the acquisition of DateTix will comprise the issue of Enverro ordinary shares and performance rights to DateTix Shareholders.
- 1.5 The acquisition of DateTix by Enverro and other related transactions detailed in section 2, is referred to in this report as the "Transaction".

***Opinion***

- 1.6 In our opinion, the Transaction is **not fair but reasonable** to the shareholders of Enverro whose votes are not to be disregarded, being the Non-Associated Shareholders.
- 1.7 The ultimate decision however on whether to accept the Transaction should be based on shareholders own assessment of their circumstances.

***Purpose of Report***

- 1.8 You have requested Hall Chadwick Corporate (NSW) Limited ("HCC") to prepare an Independent Expert's Report to advise

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A member of AGN  
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worldwide association of  
separate and independent  
accounting and consulting  
firms

the shareholders of Enverro other than those associated with the proposed issue of Enverro securities to the shareholders of DateTix (“Non-Associated Shareholders”), whether the proposed Transaction is fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.

- 1.9 HCC understands and has agreed that this report will be included in or accompany the notice to convene a meeting of Enverro shareholders, to assist the Non-Associated Shareholders in their consideration of the proposed Transaction.

## **2. OUTLINE OF THE PROPOSED TRANSACTION**

2.1 The Transaction involves the Company's acquisition of 100% of the issued capital of DateTix and will involve a significant change to the nature of the Company's main business activity, from a software and services business focussed on enterprise clients, to a mobile and cloud-based marketplace for real life dates. Consideration for the Transaction comprises the following:

- 12,500,000 fully paid ordinary shares in Enverro at a deemed issue price of \$0.40 ("Ordinary Consideration Shares"); and
- 4,000,000 Class A Performance Rights in Enverro that convert into or otherwise result in the issue of fully paid Enverro Shares on a one (1) for one (1) basis, subject to customary adjustments, in the event that a Performance Event occurs; and
- 4,000,000 Class B Performance Rights in Enverro that convert into or otherwise result in the issue of fully paid Enverro Shares on a one (1) for one (1) basis in the event that a Performance Event occurs; and
- 4,000,000 Class C Performance Rights in Enverro that convert into or otherwise result in the issue of fully paid Enverro Shares on a one (1) for one (1) basis in the event that a Performance Event occurs.

2.2 'Performance Event' is defined as follows:

- (i) in relation to the Class A Performance Rights, the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$0.60 and achieving either:
  - a) \$100,000 or more in gross revenue over any six month period; or
  - b) 250,000 cumulative downloads of all mobile applications that are majority-owned by Datetix Ltd (now and in the future), across all mobile platforms (including but not limited to iOS and Android),  
within 24 months of Settlement.
- (ii) in relation to the Class B Performance Rights, the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$0.80 and achieving either:
  - a) \$250,000 or more in gross revenue over any six month period; or
  - b) 500,000 cumulative downloads of all mobile applications that are majority-owned by Datetix Ltd (now and in the future), across all mobile platforms (including but not limited to iOS and Android),  
within 36 months of Settlement.
- (iii) in relation to the Class C Performance Rights, the attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time equalling or exceeding \$1.00 and achieving either:
  - a) \$500,000 or more in gross revenue over any six month period; or
  - b) 1,000,000 cumulative downloads of all mobile applications that are majority-owned by Datetix Ltd (now and in the future), across all mobile platforms (including but not limited to iOS and Android),  
within 48 months of Settlement.

- 2.3 The Company will also undertake a capital raising of up to \$3,000,000 by the issue of up to 7,500,000 fully paid ordinary shares at an issue price of \$0.40 per share via a prospectus (“Capital Raising”). The Company must raise a minimum of \$2,000,000 through the issue of 5,000,000 Shares at \$0.40 per Share (“Minimum Subscription”) in order to adequately fund its commitments and achieve its business objectives in the next 2 years.
- 2.4 Enverro will also seek approval for the issue of:
- 1,500,000 Employee Options as part of remuneration to continuing DateTix employees, including 400,000 Employee Options to Mr Michael Ye, director and shareholder of DateTix. Employee options have an exercise price of \$0.40 and an expiry date of 31 December 2020.
  - 100,000 Director Options to Ms Zhixian Lin, a proposed director of Enverro. Director Options have an exercise price of \$0.40 and an expiry date of 31 December 2020.
- 2.5 The Employee Options and Director Options are being issued in order to align the interests of DateTix directors and employees with that of the Company going forward.
- 2.6 The following table shows the effect on the share capital of Enverro after the Transaction and interdependent resolutions relating to the issue of shares in Enverro. Note we have included in the table below the dilutive effect of the Employee Options and Director Options being proposed, however the resolutions to approve the issue of options are not interdependent to those relating to the Transaction and Capital Raising:

Effect on Ordinary Shares	
Ordinary shares currently on issue	9,004,546
Ordinary Consideration Shares	12,500,000
Capital Raising - Minimum Subscription	<u>5,000,000</u>
<b>Shares on Issue following completion of the Transaction</b>	<b>26,504,546</b>
Class A Performance Rights	4,000,000
Class B Performance Rights	4,000,000
Class C Performance Rights	<u>4,000,000</u>
<b>Shares on Issue inclusive of Capital Raising and Performance Rights</b>	<b>38,504,546</b>
Existing options on issue <small>refer to section 7.3.1 for terms</small>	1,395,504
Employee Options	1,500,000
Director Options	<u>100,000</u>
<b>Total fully diluted shares on issue after Transaction</b>	<b>41,500,050</b>

- 2.7 On completion of the Transaction, including the Minimum Subscription, DateTix shareholders will have a relative voting interest in Enverro of 48.29% of the issued share capital of Enverro, increasing to up to 64.41% assuming all Performance Rights are converted.

- 2.8 The table below shows the DateTix shareholders and their maximum respective equity interest in Enverro immediately following completion of the Transaction, prior to the Capital Raising:

<b>DateTix Shareholders</b>	<b>Interest in Enverro before and after Performance Rights</b>	
Michael Ye	17.15%	23.14%
Global Marketplace Limited	13.03%	17.58%
Gold Resources Ltd <sup>1</sup>	15.28%	19.87%
Douvel Pty Ltd	2.83%	3.82%
	<b>48.29%</b>	<b>64.41%</b>

<sup>1</sup> Gold Resources Ltd has an existing holding in Enverro of 300,001 shares, which is included in the above relative interests.

- 2.9 Following completion of the Transaction and associated share issues, Enverro's existing Non-Associated Shareholders interest will decrease from 96.7% to as low as 22.61% inclusive of the Performance Rights and Minimum Subscription or 24.34% on a fully diluted basis inclusive of the existing options on issue.

## **STRUCTURE OF REPORT**

Our report is set out under the following headings:

3	PURPOSE OF REPORT
4	OPINION
5	BASIS OF EVALUATION
6	OVERVIEW OF DATETIX
7	OVERVIEW OF ENVERRO
8	VALUATION METHODOLOGIES
9	VALUE OF DATETIX
10	VALUE OF ENVERRO
11	ADVANTAGES AND DISADVANTAGES OF THE TRANSACTION
12	CONCLUSION AS TO FAIRNESS AND REASONABLENESS

## **APPENDICES**

I	SOURCES OF INFORMATION
II	STATEMENT OF DECLARATION & QUALIFICATIONS
III	FINANCIAL SERVICES GUIDE

### **3 PURPOSE OF REPORT**

- 3.1 The purpose of this report is to advise the Non-Associated Shareholders of Enverro of the fairness and reasonableness of the Transaction.
- 3.2 This report provides an opinion on whether or not the terms and conditions in relation to the transaction are fair and reasonable to the Enverro shareholders whose votes are not to be disregarded in respect of the transaction (that is, the Non-Associated Shareholders).
- 3.3 The ultimate decision whether to accept the terms of the Transaction should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Transaction or matters dealt with in this report, shareholders should seek independent professional advice.
- 3.4 For the Transaction to be fair, the value of the DateTix shares being acquired must be equal to or greater than the value of the consideration, being Enverro shares. To be reasonable the shareholders must obtain an overall benefit if the Transaction proceeds. In forming an opinion as to whether the Transaction is fair and reasonable, the following factors have been considered:
- the underlying value of Enverro shares to be issued as consideration to DateTix;
  - the underlying value of DateTix shares to be acquired by Enverro;
  - the likely market price and liquidity of Enverro shares if the Transaction is not implemented;
  - the likelihood of an emergence of an alternative proposal that could realise better value for Enverro Shareholders.
- 3.5 This report has been prepared to satisfy the requirements of the Corporations Act 2001 (Cth) ("Corporations Act") and the Australian Stock Exchange ("ASX") Listing Rules.

#### **Corporations Act Requirements**

- 3.6 On completion of the Transaction, DateTix Shareholders will have a relative voting interest in Enverro of up to 64.41%.
- 3.7 Section 606(1) of the Corporations Act states that a person must not acquire an interest in issued voting shares in a listed company if that person's or any other person's voting power increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. Section 606(1) prohibits DateTix shareholders or any associated entities from acquiring the issued ordinary shares in Enverro under the Transaction, unless one of the exemptions set out in Section 611 of the Corporations Act applies.
- 3.8 Item 7 of Section 611 of the Corporations Act exempts an acquisition that is approved by a resolution of shareholders of Enverro passed at a general meeting as per Section 611. This is the exception which is being relied upon by Enverro.
- 3.9 ASIC Regulatory Guide 74 "Acquisitions Approved by Members" requires, amongst other things, that directors of a company need to provide shareholders with an analysis of



whether a transaction is fair and reasonable, when considered in the context of the interests of the non-associated shareholders. Regulatory Guide 74 states that the directors may satisfy their obligation to provide this analysis by the independent directors commissioning an independent expert's report. The independent expert is required to state whether, in their opinion, the proposal is fair and reasonable having regard to the interests of non-associated shareholders and state the reasons for forming that opinion. This report provides such an opinion.

### **ASX Listing Rules**

- 3.10 ASX Listing Rule 7.1 states that without the approval of holders of ordinary shares, an entity must not issue or agree to issue more equity securities than the number calculated according to the following formula:

$$(A \times B) - C$$

Where:

A = The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue;

- Plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2,
- Plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- Plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4,
- Less the number of fully paid ordinary securities cancelled in the 12 months.

B = 15%

C = The number of equity securities issued or agreed to be issued in the 12 months before the date of the issue or agreement to issue that are not issued under an exception in ASX Listing Rule 7.2, under rule 7.1A.2 or with approval under ASX Listing Rule 7.1 or 7.4.

- 3.11 The issue of ordinary securities under the Transaction will result in an issue of Enverro ordinary securities greater than allowed under the above formula. However, Exception 16 of the ASX Listing Rule 7.2 provides an exception to shareholder approval under ASX Listing Rule 7.1, in relation to the issue of securities approved for the purposes of item 7 of Section 611 of the Corporations Act. Enverro will also rely on this exception.

## 4. OPINION

4.1 In our opinion, the proposed Transaction to acquire all of the issued shares of DateTix through the issue of Enverro securities is **not fair but reasonable** to the holders of Enverro ordinary fully paid shares whose votes are not to be disregarded.

4.2 Our opinion is based solely on information available as at the date of this report. The principal factors that we have considered in forming our opinion are summarised below.

### *Fair*

4.3 According to RG 111, for the Transaction to be fair, the value of the DateTix shares being acquired must be equal to or greater than the value of the consideration, being Enverro Ordinary Consideration Shares and Performance Rights.

4.3.1 Based on the analysis contained in section 9, we have determined that the value of DateTix is **\$435,507** as at the date of this report.

4.3.2 Based on the analysis contained in section 10, the indicative value of the securities being issued by Enverro as consideration for the shares in DateTix is as follows:

	Low	High	Midpoint
Enverro shares - controlling basis (\$)	0.234	0.388	0.311
Performance Rights – as determined at section 10.5			

Valuation of Consideration	Shares	Low	High	Midpoint
Ordinary Shares	12,500,000	2,925,000	4,850,000	3,887,500
Class A Performance Shares	4,000,000	269,568	446,976	358,272
Class B Performance Shares	4,000,000	174,096	288,672	231,384
Class C Performance Shares	4,000,000	118,872	197,104	157,988
		<b>3,487,536</b>	<b>5,782,752</b>	<b>4,635,144</b>

4.3.3 Our valuation of Enverro shares prior to the Transaction is on a control basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction value per share of Enverro on a control basis with the post-transaction value per share of Enverro on a minority basis. This is shown in the table below:

Enverro Value and Opinion	Low	High	Midpoint
<b>Control value per share (\$)</b>	<b>0.234</b>	<b>0.388</b>	<b>0.311</b>
Shares currently on issue	9,004,546	9,004,546	9,004,546
Control valuation, pre-Transaction	2,107,064	3,493,764	2,800,414
Valuation of DateTix	435,507	435,507	435,507
Capital Raising – Minimum Subscription	2,000,000	2,000,000	2,000,000
Post-Transaction Value	<b>4,542,571</b>	<b>5,929,271</b>	<b>5,235,921</b>
Post-Transaction shares on issue	26,504,546	26,504,546	26,504,546
<b>Value per share</b>	<b>0.171</b>	<b>0.224</b>	<b>0.198</b>
Minority discount <small>refer section 8.3</small>	9%	9%	9%
<b>Post-Transaction Valuation per share (\$)</b>	<b>0.156</b>	<b>0.204</b>	<b>0.180</b>

- 4.3.4 The above analysis does not include the issue of any shares on vesting of any Performance Rights. In the event that the Performance Rights are converted and included in the post-Transaction shares on issue, the post-Transaction value per Enverro share must increase from the pre-Transaction control value per share. We have not shown the above table on a fully diluted basis as the Performance Rights have a number of Performance Events which must be satisfied for them to vest, including that the volume weighted average price of Enverro's shares as traded on ASX exceeds \$0.60, \$0.80 and \$1.00 within certain timeframes as detailed at section 2.2. The conversion of the Performance Rights would have a dilutory effect on shares held by Non-Associated Shareholders as detailed at sections 2.6 and 2.9, and the value of the Performance Rights included in the table at section 4.3.2.
- 4.3.5 In our opinion the Transaction is **not fair** as the value of the Enverro shares held by Non-Associated Shareholders decreases as a result of the Transaction.

### ***Reasonable***

- 4.4 ASIC Regulatory Guide 111 states that a transaction is reasonable if:
- The Transaction is fair; or
  - Despite not being fair the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.
- 4.4.1 We have concluded that the Transaction is reasonable. In forming our opinion we have considered the following relevant factors:

### **Advantages of the Transaction**

- The Transaction presents an opportunity to diversify its existing portfolio of cloud-based software into consumer applications in addition to enterprise products and services.
- The Directors of Enverro have determined that DateTix has the potential to increase Enverro shareholder value and provide the Company with greater opportunities in the cloud-based software and applications industry.
- The Transaction provides Enverro Shareholders with an opportunity to invest in a business such as DateTix with future cash flow and dividend opportunities. The listed public company structure will also assist DateTix to establish market presence and assist with planned growth strategies.
- The DateTix App platform is highly scalable with potential global application. Datetix proposes to initially target high income cities across Asia Pacific to gain traction and then potentially expand into other regions of the world.
- Enverro believes that the Transaction allows the Company to achieve its strategic objective of securing sustainable cash flows from a business with growth potential. DateTix represents a sensible acquisition for Enverro in the cloud-based applications industry which has the potential for long term positive cash flow opportunities.

- The Capital Raising is an interdependent resolution to the Transaction and will provide capital to facilitate the ongoing development of the DateTix business in accordance with commitments that are consistent with its objectives.
- The Transaction may provide an opportunity for Enverro shareholders to experience growth in the value of shares and significantly boost Enverro's market capitalisation and liquidity in share trading.
- The Enverro Board are of the opinion that the Transaction with DateTix is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is the best strategic opportunity for the Company.

#### **Disadvantages of the Transaction**

- There may be other opportunities Enverro will not be able to undertake to increase the value of its listing if it accepts this Transaction due to the controlling interest being obtained by DateTix Shareholders.
- The Company will be expanding its activities into those of DateTix, which may not be consistent with the objectives and risk profile of existing Shareholders.
- Future outlays of funds from the Company may be required for the integration and growth of DateTix and to meet the strategic direction and business objectives of the expanded business.
- The Transaction will result in the significant dilution of current shareholders ownership percentages. Following completion of the Transaction, Enverro's existing Non-Associated Shareholders interest will decrease from 96.7% to as low as 22.61%.

4.5 *Accordingly, in our opinion, the Transaction is **not fair but reasonable** to the Non-Associated Shareholders of Enverro.*

## **5 BASIS OF EVALUATION**

- 5.1 In our assessment of whether the Transaction is fair and reasonable to Enverro Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by the ASIC, in particular, Regulatory Guide 74 “Acquisitions Approved by Members”, Regulatory Guide 111 “Content of Expert Reports” and Regulatory Guide 112 “Independence of Experts”.
- 5.2 ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the proposed Transaction is fair and reasonable. Under Regulatory Guide 111, a transaction is “fair” if the value of the asset being acquired (in this case 100% of the equity in DateTix) is equal to or greater than the value of the consideration being offered (in this case, Enverro securities). Additionally, under Regulatory Guide 111 an offer is “reasonable” if it is fair. It is possible for an offer to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the Transaction in the absence of any alternative proposals.
- 5.3 Our report has compared the likely advantages and disadvantages to non-associated shareholders if the Transaction is agreed to, with the advantages and disadvantages to those shareholders if it is not. Comparing the value of the shares to be acquired under the Transaction and the value of the consideration to be paid is only one element of this assessment.
- 5.4 We have considered whether any shareholder will obtain a level of control in Enverro as a result of the proposed Transaction. In the event that a change in control arises from the proposed transaction, proportionately greater benefits to non-associated shareholders must be demonstrated. In this case DateTix Shareholders will obtain control of Enverro and this issue needs to be considered in comparing the value received by Non-Associated Shareholders in comparison to the value being paid.
- 5.5 Normal valuation practice is to determine the fair market value of an asset assuming a counter party transaction between a willing and not anxious buyer and a willing but not anxious seller clearly at arm’s length. In determining the value of 100% of the equity of DateTix and Enverro we have considered a range of valuation methods as detailed at section 8.
- 5.6 In evaluating the Transaction, we have compared the pre-Transaction value per share of Enverro on a control basis with the post-Transaction value per share of Enverro on a minority basis. We will also consider the Non-Associated Shareholder’s interests should the Transaction not proceed.
- 5.7 In our assessment of the Transaction we have considered, in particular the following:
- The operational and financial position of DateTix and Enverro;
  - The value of DateTix shares, under various methodologies;
  - The value of Enverro shares, under various methodologies;
  - Any control premium associated with the Transaction;
  - The advantages and disadvantages associated with approving the Transaction;
  - Share trading history of Enverro shares;

- The likely value and liquidity of Enverro shares in the absence of the acquisition;
  - Other qualitative and strategic issues associated with the Transaction.
- 5.8 The documents and information relied on for the purpose of this valuation are set out in Appendix I. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Transaction is fair and reasonable. However, in assignments such as this, time is limited and we do not warrant that our enquiries have identified or verified all of the matters which an audit or more extensive examination might disclose. None of these additional tasks have been undertaken.
- 5.9 We understand the accounting and other financial information that was provided to us has been prepared in accordance with generally accepted accounting principles.
- 5.10 An important part of the information used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.
- 5.11 HCC are not the auditors of Enverro or DateTix. We have analysed and reviewed information provided by the Directors and management of DateTix and Enverro and made further enquiries where appropriate.
- 5.12 This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in the report. To the extent we become aware of a material change in circumstances since the date of our report, we will issue a supplementary report at the request of Enverro if so required.

## **6 OVERVIEW OF DATETIX**

### **6.1 Company Overview**

- 6.1.1 DateTix operates a mobile and cloud-based marketplace for people to host, discover, and go on real life dates. Whether for friendships, casual dating, serious relationships, or business networking, DateTix connects like-minded people with each other through real life dates.
- 6.1.2 DateTix has developed a proprietary matchmaking engine that algorithmically scores, ranks and matches people based on multiple dimensions of compatibility, including physical attributes, personality traits and date preferences.
- 6.1.3 With an initial focus on major Asian cities, DateTix plans to build, grow and cultivate leading local marketplaces for real life dates in all major cities around the world.

### **6.2 Business Activities**

- 6.2.1 The DateTix model features include:
  - A two-sided local marketplace that matches local demand and supply through attractive designed profiles and precise location technology;
  - Scalable mobile technology and data platform;
  - Detailed compatibility analysis;
  - Recurring monthly subscription revenue from DateTix premium members;
  - In-app purchases of virtual items to drive repeat purchases;
  - Exclusive benefits for paying members such as free date hosting upgrades, access to premium filters and unlimited chatting.
- 6.2.2 Management advise that the DateTix app launch is expected in late 2015. The focus of DateTix is to establish and quickly grow the number of monthly active users (“MAU”) to capture dominant market share in its targeted local markets. Achieving this would allow DateTix to build strong barriers to entry from first-mover advantage and network effects in those markets. Management advise that if DateTix can establish itself as the dominant market leader, it will then focus on monetizing its user base through diverse revenue streams, including but not limited to:
  - Virtual items
  - Membership subscription
  - Advertising
  - eCommerce
- 6.2.3 The asset-light nature of the DateTix business facilitates growth in the revenue base with minimal physical presence and capital expenditure. Marketing and R&D is centralised and predominantly online with no inventory or warehouse costs. Full multilingual and localisation capabilities also minimises additional R&D.
- 6.2.4 DateTix believe their competitive advantages include:
  - Higher user willingness to pay for guaranteed real life dates vs. just online chatting

- Broader selection of local matches driven by high user density and marketplace liquidity within target geographic markets vs. more sparsely distributed user bases
- High barriers to entry from strong network effects driven by first mover advantage within target geographic markets

### 6.3 Management Team

The following is a summary of the qualifications of the DateTix management team as provided by DateTix.

#### ***Michael Ye, Founder and CEO***

- Drives company's strategic vision and global growth
- Leads design and development of core online dating marketplace
- Passionate serial entrepreneur who founded one of the Internet's first comparison shopping portals
- Extensive investment banking experience with Credit Suisse, Morgan Stanley and J.P. Morgan in Hong Kong
- Bachelor of Math in Computer Science from the University of Waterloo
- MBA in Entrepreneurship and Finance from the Wharton School, University of Pennsylvania

#### ***Derek Foo, VP of Product***

- Technologist with keen interest in business development
- Led formation of Rmb100mm joint venture with strategic Chinese partners for Carlyle Group portfolio company GDC Technology
- Over 7 years of R&D experience in academia, defence, and broadcast sectors
- PhD in Computer Science from the Royal Melbourne University of Technology
- MBA in Finance from HKUST

#### ***David Su, VP of Business Development***

- Corporate Strategy focused professional with a focus on technology and international expansion/markets
- Experiences at Assurance, Deloitte Consulting, and IHG
- MBA from the Wharton School and Bachelor of Business from University of Michigan (Ross School)

#### ***Na You, Head of China Expansion***

- Extensive experience in China Internet industry across corporate strategy and operations
- Rich experience in corporate access for public and private companies in China (Founder of the organization of IRIC- Investor Relations in China);
- Former Internet research analyst with Oppenheimer & ICBCI
- Bachelor of National Physics Base Class in Wuhan University

#### ***Carmen Chu, VP of Marketing***

- Experienced professional in marketing and brand management
- Well connected influencer across multiple social circles in Hong Kong
- MBA from HKUST and BBA from York University



**Karen Luk, Community Manager, Hong Kong**

- Experienced professional in marketing and brand management
- Well connected influencer across multiple social circles in Hong Kong
- MBA from HKUST and BBA from York University

**6.4 Share capital**

6.4.1 DateTix shareholders have the following equity interests:

<b>DateTix Shareholders</b>	<b>Shares Held</b>	<b>Relative Interest</b>
Michael Ye	10,000	36.4%
Global Marketplace Limited	7,600	27.6%
Gold Resources Ltd	8,250	30.0%
Douvel Pty Ltd	<u>1,650</u>	6.0%
	<b>27,500</b>	

**6.5 Financial Information**

- 6.5.1 DateTix was founded in February 2013 but has not yet earned any substantial revenues and to date has traded at a loss. Historical earnings are not reflective of future earnings as the business will now focus on generating revenues from mobile apps rather than events and website.
- 6.5.2 The historical financial statements have been audited in accordance with Hong Kong Standards on auditing issued by the Hong Kong Institute of Certified Public Accountants.
- 6.5.3 Following is a summary of the audited historical financial performance of DateTix for the financial years ended 30 June 2013 (“FY2013”), 30 June 2014 (“FY2014”) and 30 June 2015 (“FY2015”):

<b>DATETIX LIMITED</b>				
<b>HISTORICAL FINANCIAL PERFORMANCE</b>				
	<b>AU\$<sup>1</sup></b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>
Revenue		-	607	66,726
Cost of events		-	(1,656)	(20,860)
Other income		-	-	4,043
Computer expenses		(6,309)	(10,175)	(6,109)
Directors fees		-	-	(37,309)
Salaries		-	-	(29,998)
All other expenses		(749)	(452)	(20,984)
<b>Net profit / (loss) before tax</b>		<b>(7,058)</b>	<b>(11,676)</b>	<b>(44,491)</b>

<sup>1</sup> DateTix accounts are prepared in Hong Kong dollars. The figures shown above have been converted into Australian dollars at the following exchange rates:

FY2013	1AUD : 7.1946HKD
FY2014	1AUD : 7.3013HKD
FY2015	1AUD : 5.3606HKD

- 6.5.4 Set out below is the audited statement of financial position of DateTix as at 30 June 2015 (converted into Australian dollars at the 30 June spot rate of 1AUD : 5.9356HKD):

<b>DATETIX LIMITED</b>	
<b>STATEMENT OF FINANCIAL POSITION</b>	
<b>AU\$</b>	<b>As at 30 June 2015</b>
<b><u>CURRENT ASSETS</u></b>	
Cash assets	457,430
Prepayments	11,254
	<u>468,684</u>
<b>TOTAL ASSETS</b>	<b><u>468,684</u></b>
<b><u>CURRENT LIABILITIES</u></b>	
Payables and accruals	18,950
Loans – director	14,227
	<u>33,177</u>
<b>TOTAL LIABILITIES</b>	<b><u>33,177</u></b>
<b>NET ASSETS</b>	<b><u>435,507</u></b>
<b><u>EQUITY</u></b>	
Issued capital	498,732
Accumulated losses	<u>(63,225)</u>
	<b><u>435,507</u></b>

## **7. OVERVIEW OF ENVERRO**

### **7.1 Company Overview**

- 7.1.1 Enverro (formerly PRM Cloud Solutions Limited) is an Australian public company, officially listed on 5 December 2014.
- 7.1.2 Enverro's cloud based applications provide a workforce mobilisation and contractor management solution that assists companies in the oil, gas, mining, and construction industries to manage the complex logistics of worksite personnel deployment and management while assisting to control costs, minimise risks, and improve efficiency. It also provides professional consulting and support services.
- 7.1.3 Enverro's revenue is generated through two arms:
- software development and sales, and
  - professional consulting and support services.
- 7.1.4 The software development arm of the Company centres around its Enverro™ application, a workforce management product which enables project and human resource managers in the oil, gas, mining and construction industries to manage the complex logistics of moving personnel to and from remote worksites while assisting in control of costs. In conjunction with the licence fees for using this application, fees are also charged for enablement and customisation services which are provided to users.
- 7.1.5 Using the Enverro application, customers are able to:
- verify skills and credentials of personnel against job, worksite and owner requirements;
  - ensure compliance with safety requirements;
  - schedule personnel into required induction and training courses or medical exams;
  - manage travel and accommodation logistics for personnel to and from worksites;
  - approve and authorise visitor access to worksites;
  - manage personnel changes against project budgets; and
  - track mobilisation progress on an individual, contractor or owner level.
- 7.1.6 Enverro operates on a cloud-based software platform (Force.com) provided by salesforce.com, a NASDAQ listed technology company based in the United States. The Company has entered into a reseller agreement with salesforce.com. When licences to use the Company's Enverro application are sold, users also acknowledge the terms and conditions applicable for access to the salesforce.com platform.
- 7.1.7 Separately, the Company also generates revenue from its professional consulting and support services. Enverro's business has been underpinned to date by its professional consulting and support services team which provides technical best practice, management consultancy services, change management, and technical expertise and support, all of which are specifically related to the third party 'salesforce.com' suite of products.

## **7.2 Current Operations**

- 7.2.1 After the completion of the Company's listing in December 2014 Enverro's software application division:
- established a team in Austin Texas USA for marketing and running the development of the software using contractors in South America and India.
  - employed a salesperson and support consultants to market the product in Asia Pacific.
- 7.2.2 A prime market sector for the Enverro product was opportunities in oil, gas and construction, all of which cancelled or delayed projects as the oil price has fallen. Potential enterprise users previously regarded by Enverro as advanced sales opportunities cited budget cuts when deferring implementation of the Enverro solution. Annual recurring revenue is currently limited to a small number of licences.
- 7.2.3 As a result of minimal sales, in April 2015 the board terminated Australian sales personnel and the CEO assumed responsibility for marketing the product in Australia. In May 2015 the USA operation was also closed to conserve funds pending an improvement in market conditions and sales opportunities.
- 7.2.4 Management advise there is virtually no support required for current users, as it is hosted on the salesforce platform for a fee equal to 15% of licence revenue, unless they require customised enhancements which would be undertaken by the Professional Services on a fee for service basis. Services personnel are also able to undertake implementations when new users are acquired.
- 7.2.5 The focus on the product division and change of direct management from the CEO, who had built the business, to a new manager, coupled with a downturn in the important Western Australia market have meant that the professional services business has not performed to expectations and incurred a loss in FY2015 from revenue of approximately \$1 million. Management advise that implementation of new processes and reporting are improving the operation and it is expected to operate profitably in future but currently lacks scale.

## **7.3 Share capital**

- 7.3.1 The Company has on issue
- 9,004,546 fully paid ordinary shares
  - 1,200,004 options exercisable at \$0.84, escrowed 24 months from listing to 28 November 2016
  - 136,500 employee options exercisable at \$1.00, vesting 13 October 2015 (40,950), 13 October 2016 (40,950) and 13 October 2017 (54,600)
  - 59,000 employee options exercisable at \$1.00, vesting 10 November 2015 (17,700), 10 November 2016 (17,700) and 10 November 2016 (23,600)

## 7.4 Financial Information

- 7.4.1 FY2014 and FY2015 involved a significant amount of management time and expenditure in capital raising efforts and market development for the Enverro™ software which, in addition to corporate restructuring costs, impacted the results for these years. FY2014 costs include the write-off of an historic director/shareholder loan and the write-down of development costs in relation to software applications other than the Enverro product. FY2015 also include costs associated with establishment of the USA operation and Enverro marketing costs, and then the shut-down of the USA operation and impairment of the software asset.
- 7.4.2 The financial information presented below has been extracted from the Company's audited financial statements for the financial years ended 30 June 2014 ("FY2014") and 30 June 2015 ("FY2015"). The Auditors Report for FY2015 included an emphasis of matter regarding the uncertainty of Enverro to continue as a going concern due to the net losses incurred.

<b>ENVERRO LIMITED</b>			
<b>HISTORICAL FINANCIAL PERFORMANCE</b>			
	<b>AU\$</b>	<b>FY2014</b>	<b>FY2015</b>
<b>Revenue from continuing operations</b>			
Services income		875,254	946,281
Software licences and support		158,966	121,691
		1,034,220	1,067,972
<b>Other income</b>		226,787	165,499
<b>Expenses</b>			
Auditing and accounting fees		69,429	158,101
Consulting fees		263,966	712,794
Depreciation and amortisation		78,210	127,222
Employee benefits expense		792,353	2,090,901
Finance costs		60,191	41,286
Impairment of Software development asset		-	1,079,798
Marketing		26,203	184,584
Other expenses		262,322	377,630
Recruitment		240	102,494
Restructuring costs		402,849	-
Travel expenses		129,925	83,470
Foreign exchange gains and losses		-	(9,936)
Total expenses		2,085,688	4,948,344
<b>Loss before income tax</b>		<b>(824,681)</b>	<b>(3,714,873)</b>

<b>ENVERRO LIMITED</b>	
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>	
	<b>AU\$      As at 30 June 2015</b>
<b><u>CURRENT ASSETS</u></b>	
Cash and cash equivalents	1,622,226
Trade and other receivables	200,650
Other assets	6,988
	<hr/> 1,829,864
<b><u>NON-CURRENT ASSETS</u></b>	
Property, plant and equipment	29,934
Intangibles	135,000
	<hr/> 164,934
<b>TOTAL ASSETS</b>	<hr/> <b>1,994,798</b>
<b><u>CURRENT LIABILITIES</u></b>	
Trade and other payables	458,395
Borrowings	9,992
	<hr/> 468,387
<b><u>NON-CURRENT LIABILITIES</u></b>	
Borrowings	17,508
	<hr/> 17,508
<b>TOTAL LIABILITIES</b>	<hr/> <b>485,895</b>
<b>NET ASSETS</b>	<hr/> <b>1,508,903</b>
<b><u>EQUITY</u></b>	
Contributed equity	5,868,520
Reserves	228,108
Accumulated losses	(4,587,725)
<b>TOTAL EQUITY</b>	<hr/> <b>1,508,903</b>

## **8. VALUATION METHODOLOGIES**

### **8.1 Selection of Methodology**

8.1.1 In order to assess the fairness of the Transaction a value needs to be attributed to Enverro and DateTix shares.

8.1.2 In assessing the value of Enverro and DateTix we have considered a range of valuation methods. ASIC Regulatory Guide 111 *Content of Expert Reports* states that in valuing a company the expert should consider the following commonly used valuation methodologies:

- Market Value of Shares: the quoted price for listed securities in a liquid and active market;
- Discounted Cash Flow: the net present value of future cash flows;
- Capitalisation of Future Maintainable Earnings: the value of trading operations based on the capitalisation of future maintainable earnings;
- Realisation of Assets: the amount that would be available for distribution to security holders on an orderly realisation of assets;
- Comparable Market Transactions: the identification of comparable sale or market transactions.

We consider each of these valuation methodologies below.

#### **8.1.3 *Market Value of Shares***

This method involves the valuation of an entity based on its actively traded equities, which represent the market capitalisation of the share capital of the entity, in a liquid and knowledgeable market.

Any assessment of the market value of the quoted equities needs to consider the following:

- The liquidity of the quoted equity based on the volume and frequency of trading;
- The number of ‘unusual’ and/or ‘abnormal’ trades that occur; and
- The timing and level of dissemination of information to the market.

If a quoted ordinary equity is traded in an active, liquid and knowledgeable market, then the market price of the quoted ordinary equity should represent the ‘fair’ market value of the quoted ordinary equity.

A premium may also need to be applied to the value of the quoted ordinary equity to determine the value of the equity holding in the circumstances where a party is acquiring or increasing a controlling equity position.

We consider that adopting a market value of shares methodology to determine an indicative value of Enverro is appropriate as it reflects all publicly available information on the Company and therefore we believe it is a reliable reflection of the current value of Enverro shares.

DateTix shares are not listed or publicly traded therefore this method is not appropriate for the valuation of DateTix.

#### 8.1.4 *Discounted Cash Flow – Net Present Value*

Discounted cash flow valuations involve calculating the value of a business on the basis of the net cash flows that will be generated from the business over its life. The cash flows are discounted to reflect the time value of money and the risk involved with achieving the forecast cash flows. A terminal value at the end of the explicit forecast period is then determined and that value is also discounted back to the valuation date to give an overall value of the business.

Although the discounted cash flow approach relies on the availability of long-term earnings and cash flow projections, it is particularly suited to situations where cash flows are not stable or where significant cash outflows will be incurred prior to cash inflows being earned. The forecast period should be of such a length to enable the business to achieve a stabilised level of earnings, or to be reflective of an entire operational cycle for more cyclical industries.

The use of the discounted cash flow method has not been used for DateTix or Enverro. No forecasts have been released by either company as management advise there is not a reasonable basis for determining forecast assumptions.

#### 8.1.5 *Capitalisation of Future Maintainable Earnings*

Under the earnings based valuation method, the value of the business is determined by capitalising the estimated future maintainable earnings of the business at an appropriate capitalisation rate or multiplier of earnings. The multiple is a coefficient, representing the risk that the business may not achieve the estimated future maintainable earnings.

The capitalisation of earnings or future maintainable profits is the most frequently used method of valuing an ongoing and established business. This method of valuation is used in the majority of business valuations where there is a history of earnings in an established business. Under this methodology, a valuation is assessed by determining expected future earnings and capitalising the earnings at an appropriate earnings multiple, representing the required investor return.

Enverro and DateTix have both incurred net losses in prior years and we are advised that historical results are not reflective of the current or proposed future operations of the Company. Therefore the earnings based method is not appropriate for the valuation of Enverro or DateTix.

#### 8.1.6 *Realisation of Assets*

The net assets or cost based approach to value is based on the assumption that the value of all assets (tangible and intangible) less the value of all liabilities should equal the value of the entity. The net asset value is determined by marking every asset and liability on and off the company's balance sheet to current market values.



This approach is generally not appropriate where assets are employed productively and are earning more than the cost of capital. It is often used as a cross check to assess the relative riskiness of the business.

As both Enverro and DateTix have limited trading histories and no forecasts on which valuations can be based, the realisation of net assets approach has been adopted as a suitable valuation method for both companies.

#### 8.1.7 *Comparable Market Transactions*

This methodology involves the identification of comparable sale or equity raising transactions for similar businesses to that being valued.

We have determined that this method is not considered appropriate for valuing Enverro or DateTix due to the following:

- i. Lack of historical or current results as a basis for applying a comparable multiple of revenues or earnings;
- ii. Lack of share transactions with non-related parties in either company on which to apply a comparable transactions approach.

### 8.2 **Premium for Control**

8.2.1 When considering transactions involving a substantial equity holding of a company, it is appropriate to address whether a premium for control should attach to the Transaction. A premium for control is the difference between the price for each share that a buyer would be prepared to pay to obtain a controlling interest in a company and the price per share that would be required to purchase a share that does not carry with it a controlling interest. In most cases, the value of a controlling interest in the shares in a company significantly exceeds the listed market value of the shares. This reflects the fact that:

- a) the owner of a controlling interest in the shares in a company obtains access to all free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder;
- b) the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds;
- c) the controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company;
- d) the entity taking over the company is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.

8.2.2 Empirical evidence indicates that the average premium for control (over and above the market price of the company's shares) in successful takeovers in Australia generally range between 20% and 35% above the listed market price of the target company's shares three months prior to the announcement of the bid (assuming no speculation of the takeover is reflected in the pre-bid price). However, the appropriate premium for control depends on the specific circumstances and, in particular, the level of synergy benefits able to be extracted by potential acquirers and the degree of confidence about the level and achievability of potential synergies and their timing.

8.2.3 Caution must be exercised in assessing the value of a company or business based on the

market rating of comparable companies or businesses. The premium for control is an outcome of the valuation process, not a determinant of value. Premiums are paid for reasons that vary from case to case and may be substantial due to synergy or other benefits available to the acquirer. In other situations premiums may be minimal or even zero. It is inappropriate to apply a premium of 20-35% without having regard to the circumstances of each case. In some situations there is no premium. There are transactions where no corporate buyer is prepared to pay a price in excess of the prices paid by institutional investors through a Capital Raising.

- 8.2.4 A shareholder or group of associated shareholders are deemed to influence a company when they have control of more than 20% of the issued shares in a company. At this time a premium for control should normally be considered.
- 8.2.5 When the Transaction is approved and completed, DateTix shareholders will have a relative voting interest in Enverro of up to 64.41% as detailed at section 2.7. A premium for control is therefore relevant to the Transaction.
- 8.2.6 We have determined that the change in the level of ownership is sufficient to consider a premium for control. We have applied a premium for control of 10% to the value of Enverro shares based on the following:
  - a) DateTix will obtain control of Enverro;
  - b) Enverro have not yet earned profits from its operations; and
  - c) We have considered the liquidity of Enverro shares and the effect this may have on the Enverro share value;

We believe that a premium for control above 10% may overstate the value that a potential investor is willing to pay to obtain a controlling interest in the Company.

### **8.3 Minority Interest Discount**

- 8.3.1 The value of a minority shareholding is subject to a discount factor as the minority shareholder is not in a position to direct, and often not in a position to influence, the distribution of dividends, the investment of retained profits or the strategy or tactics of the company's operations.
- 8.3.2 The Transaction will result in the dilution of current Non-Associated Shareholders' ownership percentages to as low as 22.61%. Following from the assessed control premium of 10%, we have discounted the post-Transaction value per share on a control basis by 9% to arrive at a post-Transaction value on a minority basis. We believe this discount is reasonable after considering the following factors:
  - a) Enverro is a listed public company where the shares held by Non-Associated shareholders are still able to be traded in an open market;
  - b) The lack of income being produced from assets currently held by Enverro that Non-Associated shareholders are losing control of; and
  - c) The assessment of advantages and disadvantages associated with Enverro entering into the Transaction as detailed at section 11.

## **9 VALUE OF DATETIX**

### **9.1 Selected Methodology**

9.1.1 We have selected the Realisation of Net Assets methodology to apply a value to DateTix as detailed at section 8. Due to the lack of historical or forecast earnings and no arms-length trading in DateTix shares there is no secondary valuation approach deemed appropriate.

9.1.2 In forming an opinion on the valuation of DateTix, and the selected methodology, HCC has considered the following:

- The historical operations of the business;
- The industry in which the business operates;
- The period of time for which the business has been operating;
- Information provided by management regarding future operations of the business.

#### *9.1.3 Financial information relied upon in applying selected valuation method*

We have reviewed the unaudited financial accounts of DateTix. Ultimately, the management of DateTix are responsible for the preparation and presentation of the financial information provided. The purpose of our review is to establish that the financial information used is not materially misstated. This review does not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

### **9.2 Realisation of Assets**

9.2.1 DateTix has not yet earned any profits from its business. Therefore the realisation of assets is an appropriate valuation method for the valuation of DateTix in the absence of a more appropriate method.

9.2.2 DateTix assets and liabilities comprise predominantly cash and loan assets and payables as detailed at section 6.5. DateTix have not capitalised any costs associated with the development of its products due to the inherent uncertainty regarding future returns. There are also no forecast cash flows available to attribute a value to the intangible assets or goodwill of DateTix. Therefore based on the balance sheet of DateTix as at 30 June 2015, the net asset value of DateTix for the purpose of this report is **\$435,507**.

### **9.3 Resultant Valuation of DateTix**

9.3.1 Based on the realisation of net assets valuation method detailed above, we have determined that the value of DateTix is **\$435,507** as at the date of this report.

## 10 VALUE OF ENVERRO

### 10.1 General

10.1.1 This section sets out our assessment of the underlying value of Enverro shareholdings.

10.1.2 We have selected the market value of shares and realisation of net assets as the valuation methodologies for Enverro as detailed in section 8.

### 10.2 Market Value of Shares

10.2.1 In our opinion the value of Enverro for the purpose of the Transaction should be examined on the basis of the current market value of the shares listed on the ASX. The market value of the shares listed on the ASX reflects all publicly available information on the company and therefore we believe it is a reliable reflection of the current value of the Company.

10.2.2 Following is a graph of the trading of Enverro shares since listing in December 2014:



10.2.3 In the month of trading prior to the announcement of the Transaction on 17 June 2015, Enverro shares traded in the range of \$0.28 to \$0.50, with a volume weighted average price of \$0.353.

10.2.4 The table below sets out the movement of Enverro share prices and trading up to and including 16 June 2015:

	Low \$	High \$	VWAP (1)	Volume
1 week	0.280	0.500	0.353	1,334,020
1 month	0.280	0.650	0.358	1,363,640
2 months	0.280	0.750	0.385	1,478,310
3 months	0.280	0.900	0.468	1,826,500
6 months	0.280	1.000	0.538	2,126,000
12 months	0.280	0.500	0.353	1,334,020

(1) The VWAP was calculated using the total value of all transactions divided by the total trading volume in the time period considered.

10.2.5 Subsequent to the announcement, Enverro shares have traded in the range of \$0.40 to \$0.45 with a VWAP of \$0.424 per share.

10.2.6 We conclude that the value of the Enverro shares under the market value approach for the purpose of this report is a VWAP of \$0.353, within a range of \$0.280 to \$0.426 per share (so the VWAP is a midpoint), being the VWAP in the month prior to the announcement of the Transaction. We note this valuation is on a portfolio basis and does not reflect a premium for control.

10.2.7 Inclusive of a 10% premium for control, the value of Enverro shares under the market value approach is in the range of \$0.308 to \$0.469, with a midpoint of **\$0.388 per share**.

### 10.3 Realisation of Assets

10.3.1 The notional realisation of assets is an appropriate secondary valuation method for Enverro. As at 30 June 2015 the Company's net assets was \$1,508,903, as shown at section 7.2.

10.3.2 The value of a listed company varies depending on the subsequent regulatory requirements, including necessary compliance with ASX listing requirements. Considering the current listed status of the Company and our experience concerning the values placed on listed shells, we have allocated a value for the listed company shell of \$600,000, which represents a premium for control. The net asset value of Enverro on a controlling interest basis is as follows:

Net assets	1,508,903
Value of listing	<u>600,000</u>
<b>Net realisation of assets</b>	<b>2,108,903</b>

10.3.3 Enverro currently has 9,004,546 shares on issue, which equates to a net asset value per share of **\$0.234** on a controlling interest basis.

### 10.4 Conclusion on the Value of Enverro Shares

10.4.1 Based on the two valuation methods outlined above, we conclude that the value of Enverro shares is between \$0.234 and \$0.388 each, with a midpoint of **\$0.311 per share**, inclusive of a premium for control.

### 10.5 Value of Performance Rights

10.5.1 The Transaction includes the issue of Performance Rights that will convert into Enverro ordinary shares in the event of Performance Events occurring, as detailed at section 2.2. These Performance Rights and Performance Events are summarised below:

	Total Number	Price <sup>1</sup>	Gross Revenue (over six mths)	Cumulative Downloads	Time to achieve
Class A	4,000,000	\$0.60	\$100,000	250,000	24 months
Class B	4,000,000	\$0.80	\$250,000	500,000	36 months
Class C	4,000,000	\$1.00	\$500,000	1,000,000	48 months

<sup>1</sup> attainment of the 20-Day volume weighted average price of Enverro's Shares as traded on ASX at any time within the time hurdle

- 10.5.2 The Performance Rights effectively represent an option or right to receive Enverro shares should the Performance Events be satisfied. The value of the Right is the value of the Enverro share, adjusted for the probability of each of the Performance Events being achieved.
- 10.5.3 As all Rights are granted at a nil issue price and nil exercise price, the application of a basic option valuation formula such as the Black-Scholes will result in the value of the Right being equivalent to the value of the Enverro share, being a midpoint of **\$0.311 per share**, inclusive of a premium for control, as determined at section 10.4.
- 10.5.4 We must consider the uncertainties regarding the achievement of the Performance Events. We have applied a Hoadley valuation model which returns the probability of the spot price ever being above a target price (in this case the Performance Event price) at any time during a specified number of days. Based on a starting spot price of \$0.311 per share and a volatility factor of 100%, the model predicts the following probabilities:

Class A	Reaching a target price of \$0.60 within 24 months	41.2%
Class B	Reaching a target price of \$0.80 within 36 months	31.0%
Class C	Reaching a target price of \$1.00 within 48 months	25.3%

- 10.5.5 The estimated probabilities of achieving either of the revenue or cumulative download Performance Events are detailed in the table below, based on information provided by Enverro and DateTix management. These estimates are based on management's knowledge of the business, industry and plans in place to achieve business objectives.

Performance Rights	Probability
Class A	70%
Class B	60%
Class C	50%

- 10.5.6 As the share price target must first be met before the Performance Rights convert, we have applied the lower probabilities relating to the target prices in valuing the Performance Rights. Therefore, applying the determined probabilities to the Enverro midpoint share value would result in a valuation for the Rights as shown in the table below:

Performance Rights	Probability Weighting	Share Value (\$)	Right Value (\$)
Class A	41.2% x 70%	0.311	0.090
Class B	31.0% x 60%	0.311	0.058
Class C	25.3% x 50%	0.311	0.039

## **11 ADVANTAGES & DISADVANTAGES OF THE TRANSACTION**

### **11.1 Approach to assessing Fairness and Reasonableness**

HCC has followed the guidelines of ASIC Regulatory Guide 111 in assessing the fairness and reasonableness of the Transaction. In forming its conclusions in this report, HCC compared the advantages and disadvantages for Non-Associated Shareholders if the Transaction proceeds.

### **11.2 Advantages of the Transaction**

- 11.2.1 The Transaction presents an opportunity to diversify its existing portfolio of cloud-based software into consumer applications in addition to enterprise products and services.
- 11.2.2 The Directors of Enverro have determined that DateTix has the potential to increase Enverro shareholder value and provide the Company with greater opportunities in the cloud-based software and applications industry.
- 11.2.3 The Transaction provides Enverro Shareholders with an opportunity to invest in a business such as DateTix with future cash flow and dividend opportunities. The listed public company structure will also assist DateTix to establish market presence and assist with planned growth strategies.
- 11.2.4 The DateTix App platform is highly scalable with potential global application. Datetix proposes to initially target high income cities across Asia Pacific to gain traction and then potentially expand into other regions of the world.
- 11.2.5 Enverro believes that the Transaction allows the Company to achieve its strategic objective of securing sustainable cash flows from a business with growth potential. DateTix represents a sensible acquisition for Enverro in the cloud-based applications industry which has the potential for long term positive cash flow opportunities.
- 11.2.6 The Capital Raising is an interdependent resolution to the Transaction and will provide capital to facilitate the ongoing development of the DateTix business in accordance with commitments that are consistent with its objectives.
- 11.2.7 The Transaction may provide an opportunity for Enverro shareholders to experience growth in the value of shares and significantly boost Enverro's market capitalisation and liquidity in share trading.
- 11.2.8 The Enverro Board are of the opinion that the Transaction with DateTix is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is the best strategic opportunity for the Company.

### **11.3 Disadvantages of the Transaction**

- 11.3.1 There may be other opportunities Enverro will not be able to undertake to increase the value of its listing if it accepts this Transaction due to the controlling interest being obtained by DateTix Shareholders.
- 11.3.2 The Company will be expanding its activities into those of DateTix, which may not be consistent with the objectives and risk profile of existing Shareholders.
- 11.3.3 Future outlays of funds from the Company may be required for the integration and growth of DateTix and to meet the strategic direction and business objectives of the expanded business.
- 11.3.4 The Transaction will result in the significant dilution of current shareholders ownership percentages. Following completion of the Transaction, Enverro's existing Non-Associated Shareholders interest will decrease from 96.7% to as low as 22.61%.



## 12 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

### 12.1 Fairness

12.1.1 According to RG 111, for the Transaction to be fair, the value of the DateTix shares being acquired must be equal to or greater than the value of the consideration, being Enverro Ordinary Consideration Shares and Performance Rights.

12.1.2 Based on the analysis contained in section 9, we have determined that the value of DateTix is **\$435,507** as at the date of this report.

12.1.3 Based on the analysis contained in section 10, the indicative value of the securities being issued by Enverro as consideration for the shares in DateTix is as follows:

	Low	High	Midpoint
Enverro shares - controlling basis (\$)	0.234	0.388	0.311
Performance Rights – as determined at section 10.5			

Valuation of Consideration	Shares	Low	High	Midpoint
Ordinary Shares	12,500,000	2,925,000	4,850,000	3,887,500
Class A Performance Shares	4,000,000	269,568	446,976	358,272
Class B Performance Shares	4,000,000	174,096	288,672	231,384
Class C Performance Shares	4,000,000	118,872	197,104	157,988
		<b>3,487,536</b>	<b>5,782,752</b>	<b>4,635,144</b>

12.1.4 Our valuation of Enverro shares prior to the Transaction is on a control basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction value per share of Enverro on a control basis with the post-transaction value per share of Enverro on a minority basis. This is shown in the table below:

Enverro Value and Opinion	Low	High	Midpoint
<b>Control value per share (\$)</b>	<b>0.234</b>	<b>0.388</b>	<b>0.311</b>
Shares currently on issue	9,004,546	9,004,546	9,004,546
Control valuation, pre-Transaction	2,107,064	3,493,764	2,800,414
Valuation of DateTix	435,507	435,507	435,507
Capital Raising – Minimum Subscription	2,000,000	2,000,000	2,000,000
Post-Transaction Value	<b>4,542,571</b>	<b>5,929,271</b>	<b>5,235,921</b>
Post-Transaction shares on issue	26,504,546	26,504,546	26,504,546
<b>Value per share</b>	<b>0.171</b>	<b>0.224</b>	<b>0.198</b>
Minority discount <sup>refer section 8.3</sup>	9%	9%	9%
<b>Post-Transaction Valuation per share (\$)</b>	<b>0.156</b>	<b>0.204</b>	<b>0.180</b>

12.1.5 The above analysis does not include the issue of any shares on vesting of any Performance Rights. In the event that the Performance Rights are converted and included in the post-Transaction shares on issue, the post-Transaction value per Enverro share must increase from the pre-Transaction control value per share. We have not shown the above table on a fully diluted basis as the Performance Rights have a number of Performance Events which must be satisfied for them to vest, including that the volume weighted

average price of Enverro's shares as traded on ASX exceeds \$0.60, \$0.80 and \$1.00 within certain timeframes as detailed at section 2.2. The conversion of the Performance Rights would have a dilutory effect on shares held by Non-Associated Shareholders as detailed at sections 2.6 and 2.9, and the value of the Performance Rights included in the table at section 12.1.3.

12.1.6 In our opinion the Transaction is **not fair** as the value of the Enverro shares held by Non-Associated Shareholders decreases as a result of the Transaction.

## 12.2 Reasonableness

ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- The Transaction is fair; or
- Despite not being fair the expert believes there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

In forming our opinion we have also considered the following relevant factors.

### Advantages of the Transaction

- The Transaction presents an opportunity to diversify its existing portfolio of cloud-based software into consumer applications in addition to enterprise products and services.
- The Directors of Enverro have determined that DateTix has the potential to increase Enverro shareholder value and provide the Company with greater opportunities in the cloud-based software and applications industry.
- The Transaction provides Enverro Shareholders with an opportunity to invest in a business such as DateTix with future cash flow and dividend opportunities. The listed public company structure will also assist DateTix to establish market presence and assist with planned growth strategies.
- The DateTix App platform is highly scalable with potential global application. Datetix proposes to initially target high income cities across Asia Pacific to gain traction and then potentially expand into other regions of the world.
- Enverro believes that the Transaction allows the Company to achieve its strategic objective of securing sustainable cash flows from a business with growth potential. DateTix represents a sensible acquisition for Enverro in the cloud-based applications industry which has the potential for long term positive cash flow opportunities.
- The Capital Raising is an interdependent resolution to the Transaction and will provide capital to facilitate the ongoing development of the DateTix business in accordance with commitments that are consistent with its objectives.
- The Transaction may provide an opportunity for Enverro shareholders to experience growth in the value of shares and significantly boost Enverro's market capitalisation and liquidity in share trading.
- The Enverro Board are of the opinion that the Transaction with DateTix is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is the best strategic opportunity for the Company.

### **Disadvantages of the Transaction**

- There may be other opportunities Enverro will not be able to undertake to increase the value of its listing if it accepts this Transaction due to the controlling interest being obtained by DateTix Shareholders.
- The Company will be expanding its activities into those of DateTix, which may not be consistent with the objectives and risk profile of existing Shareholders.
- Future outlays of funds from the Company may be required for the integration and growth of DateTix and to meet the strategic direction and business objectives of the expanded business.
- The Transaction will result in the significant dilution of current shareholders ownership percentages. Following completion of the Transaction, Enverro's existing Non-Associated Shareholders interest will decrease from 96.7% to as low as 22.61%.

Having considered the potential of the DateTix business and alternatives of not proceeding with the Transaction, in our opinion the Non-Associated Shareholders of Enverro should benefit if the Transaction proceeds and therefore the Transaction is **reasonable**.

Yours faithfully  
Hall Chadwick Corporate (NSW) Limited



DREW TOWNSEND

## **APPENDIX I - SOURCES OF INFORMATION**

- Enverro Limited Financial Reports for the financial years ended 30 June 2013 and 30 June 2014 and unaudited management accounts to 30 June 2015;
- Enverro Limited Prospectus dated 23 October 2014;
- DateTix Limited audited financial statements to 30 June 2015;
- Enverro Limited Notice of General Meeting and Explanatory Memorandum;
- Heads of Agreement between Enverro and DateTix;
- Publicly available information on Enverro and DateTix including media releases, ASX announcements and websites;
- ASIC Regulatory Guide 74 ‘Acquisitions Approved by Members’;
- ASIC Regulatory Guide 111 ‘Content of Expert Reports’;
- ASIC Regulatory Guide 112 ‘Independence of Experts’;
- APES 225 ‘Valuation Services’.

## **APPENDIX II - STATEMENT OF DECLARATION & QUALIFICATIONS**

### **Confirmation of Independence**

Prior to accepting this engagement HCC determined its independence with respect to Enverro, and DateTix with reference to ASIC Regulatory Guide 112 (RG 112) titled “Independence of Experts”. HCC considers that it meets the requirements of RG 112 and that it is independent of Enverro and DateTix.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with Enverro, its related parties or associates that would compromise our impartiality.

Mr Drew Townsend, director of Hall Chadwick Corporate (NSW) Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (NSW) Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (NSW) Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

HCC provided a draft copy of this report to the Directors and management of Enverro for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of HCC alone. Changes made to this report, as a result of the review by the Directors and management of Enverro have not changed the methodology or conclusions reached by HCC.

### **Reliance on Information**

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report HCC has relied upon information provided on the basis it was reliable and accurate. HCC has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. HCC evaluated the information provided to it by Enverro and DateTix as well as other parties, through enquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base our report. Accordingly, we have taken no further steps to verify the accuracy, completeness or fairness of the data provided.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). HCC does not imply and it should not be construed that it has audited or in anyway verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix I of this report.

Enverro has provided an indemnity to HCC for any claims arising out of any mis-statement or omission in any material or information provided by Enverro to HCC in preparation of this report.

### **Qualifications**

Hall Chadwick Corporate (NSW) Limited ("HCC") carries on business at Level 40, 2 Park Street, Sydney NSW 2000. HCC holds Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC's representatives are therefore qualified to provide this report.

### **Consent and Disclaimers**

The preparation of this report has been undertaken at the request of the Directors of Enverro. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to Enverro shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of HCC's opinion as to whether or not the proposed Transaction is fair and reasonable.

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to Enverro shareholders.

Shareholders should read all documents issued by Enverro that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these documents, with the exception of our report.

This report has been prepared specifically for the Non-Associated Shareholders of Enverro. Neither HCC, nor any member or employee thereof undertakes responsibility to any person, other than a Non-Associated Shareholder of Enverro, in respect of this report, including any errors or omissions howsoever caused. This report is "General Advice" and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS).

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for HCC to update this report for information that may become available subsequent to this date.

## **APPENDIX III - FINANCIAL SERVICES GUIDE**

Dated 20 August 2015

### **What is a Financial Services Guide (FSG)?**

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 (HCC).

This FSG includes information about:

- HCC and how they can be contacted
- the services HCC is authorised to provide
- how HCC are paid
- any relevant associations or relationships of HCC
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Independent Expert's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

### **Financial services that HCC is authorised to provide**

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

### **HCC's responsibility to you**

HCC has been engaged by the independent directors of Enverro Limited ("Enverro" or the "Client") to provide general financial product advice in the form of a Report to be included in the Notice of Meeting ("Document") prepared by Enverro in relation to the proposed transaction to acquire all of the issued shares in DateTix Limited ("DateTix") (the "Transaction").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Document. HCC nor the employees of HCC are acting for any person other than the Client.

HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

### **General Advice**

As HCC has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Transaction.

### **Fees HCC may receive**

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay HCC \$25,000 (excluding GST and out of pocket expenses) for preparing the Report. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive a salary or a partnership distribution from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership). Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

### **Referrals**

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

### **Associations and relationships**

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend, director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities (HC entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the Transaction.

### **Complaints resolution**

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:  
The Complaints Officer

Hall Chadwick Corporate (NSW) Limited  
GPO Box 3555  
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Drew Townsend, on 02 9263 2600 and he will assist you in documenting your complaint.



Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

### **External complaints resolution process**

If HCC cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website [www.fos.org.au](http://www.fos.org.au) or by contacting them directly at:

Financial Ombudsman Service Limited  
GPO Box 3, Melbourne Victoria 3001  
Telephone: 1300 78 08 06  
Facsimile (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au)

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

### **Compensation arrangements**

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

### **Contact Details**

You may contact HCC at:  
Hall Chadwick Corporate (NSW) Limited  
GPO Box 3555  
Sydney NSW 2001  
Telephone: 02 9263 2600  
Facsimile: 02 9263 2800

# PROXY FORM

Enverro Limited ACN 009 027 178

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I/We being a member(s) of Enverro Ltd and entitled to attend and vote hereby appoint:

<b>A</b>	<b>the Chairperson of the Meeting (mark box)</b>		OR if you are NOT appointing the Chairperson of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered Shareholder) you are appointing as your proxy:	
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or failing the person/body corporate named, or if no person/body corporate is named, the Chairperson of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the Meeting of the Company to be held at 11.00am (Brisbane time) on 25 September 2015, at GRT Lawyers, Level 2 400 Queen Street, Brisbane Queensland and at any adjournment of that meeting. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the Company. Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting, being 11.00am (Brisbane time) on 23 September 2015. The Chairperson of the Meeting intends to vote undirected proxies in favour of all items of business.

<b>B</b>	<b>To direct your proxy how to vote on any resolution please insert <input checked="" type="checkbox"/> in the appropriate box below.</b>
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	For	Against	Abstain*
Resolution 1: Change to nature and scale of activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Issue of Ordinary Shares to DateTix vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Approval of new class of securities (Class A Performance Rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4: Approval of new class of securities (Class B Performance Rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5: Approval of new class of securities (Class C Performance Rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6: Issue of Performance Rights to DateTix vendors and Acquisition of relevant interest greater than 20%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7: Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8: Issue of Employee Options to Michael Ye	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9: Issue of Director options to Zhixian Lin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10: Issue of Employee Options to DateTix employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll. If no direction is given above, I/we authorise my/our proxy to vote or abstain as my/our proxy thinks fit in respect of each resolution (including any procedural resolution) to be considered by the meeting and any adjournment of that meeting.

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary  
(Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the Shareholder. If a joint holding, both Shareholders should sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the Company or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

**IMPORTANT**

Please complete this form where indicated **(A), (B), & (C)** and return to the Company Secretary, at the address listed at the bottom of this page. Proxy forms must be received **by 11.00 am (Brisbane time) on Wednesday 23 September 2015.**

**How to complete the Proxy Form****1 Appointment of a Proxy**

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chair of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a Shareholder of the company. Do not write the name of the issuer company or the registered Shareholder in the space.

**2 Votes on Items of Business**

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

**3 Appointment of a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form. To appoint a second proxy you must, on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

**4 Signing Instructions**

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

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, all of the Shareholders must sign.

**Power of Attorney:** to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Shareholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

**Lodgement of Proxy**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address specified below at least 48 hours before the time notified for the Meeting (proxy forms can be lodged by email).

**Postal Address** PO Box 3453  
Australia Fair QLD  
4215

**Email** garry@enverro.com