



## **ASX ANNOUNCEMENT**

### **NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM**

**HONG KONG, Tuesday 8 March 2016:** The Notice of Annual General Meeting and Proxy Form of Animoca Brands Corporation Limited (ASX: AB1) are attached.

The Annual General Meeting will be held at 11:00am (Sydney time) on Friday 8 April 2016 at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales.

***ENDS***

#### **About Animoca Brands**

Animoca Brands Corporation Ltd (ASX: AB1) publishes globally a broad portfolio of mobile games, including several games based on popular intellectual properties such as Garfield, various Mattel brands, Ultraman, and Doraemon. The company's games have been downloaded over 170 million times. Animoca Brands is based in Hong Kong. For more information visit [www.animocabrands.com](http://www.animocabrands.com).

# **NOTICE OF ANNUAL GENERAL MEETING**

**ANIMOCA BRANDS CORPORATION LIMITED**

**ACN 122 921 813**

11:00am (Sydney time)

Friday 8 April 2016

To be held at the offices of Grant Thornton Australia  
at Level 17, 383 Kent Street, Sydney, NSW 2000

**This Notice of Annual General Meeting should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your professional adviser.**

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## **GENERAL INFORMATION**

### **VENUE**

The Annual General Meeting of the shareholders of Animoca Brands Corporation Limited ACN 122 921 813 (**Company**) to which this Notice of Annual General Meeting relates will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Friday 8 April 2016 (**Annual General Meeting**).

### **OPPORTUNITY TO ASK QUESTIONS**

The Annual General Meeting is an opportunity to ask questions of the board of the Company (**Board**) and management on the items of business before the Annual General Meeting and the management of the Company or questions of the auditor on the conduct of the audit and the auditor's report.

### **YOUR VOTE IS IMPORTANT**

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

### **VOTING IN PERSON AND BY PROXY**

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

You have the right to appoint a proxy of your choice. The proxy need not be a shareholder of the Company. If you are entitled to vote two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and the appointment does not specify the proportion or number of your votes, then each proxy may exercise half of the votes.

You may make your proxy appointment on-line at [www.securitytransfer.com.au](http://www.securitytransfer.com.au). If you have any problems accessing the on-line service, please contact the Company's share registry, Security Transfer Registrars Pty Ltd on +61 8 9315 2333.

Alternatively, you may complete and sign a proxy form and return by:

- (a) post to Security Transfer Registrars Pty Ltd, PO Box 535 Applecross WA 6953 Australia;
- (b) facsimile on facsimile number +61 8 9315 2233; or
- (c) hand or courier delivery to Security Transfer Registrars Pty Ltd, Alexandria House, Suite 1, 770 Canning Highway, Applecross, WA, 6153, Australia.

Your proxy must be received by 11:00am (Sydney time) on Wednesday 6 April 2016.

**Proxy forms and appointments received later than the above time will be invalid.**



**LETTER FROM THE CHAIRMAN**

Dear shareholder

I am pleased to invite you to the Annual General Meeting of the Company which will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Friday 8 April 2016.

The following pages contain details of the items of business that you have the opportunity to vote on at the Annual General Meeting.

A copy of the Company's Annual Report is available on the Company's website ([www.animocabrands.com](http://www.animocabrands.com)).

If you are unable to attend the Annual General Meeting, please ensure that you lodge a proxy by the required date and time.

Yours sincerely,

A handwritten signature in black ink, appearing to read "David Kim", written over a light blue horizontal line.

**David Kim**  
**Chairman**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of shareholders of the Company will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Friday 8 April 2016.

The Explanatory Statement to this Notice of Annual General Meeting provides information on matters to be considered at the Annual General Meeting. The Explanatory Statement, General Information section and the proxy form are part of this Notice of Annual General Meeting.

The directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company at 7pm (Sydney time) on Wednesday 6 April 2016.

## **AGENDA**

### **ORDINARY BUSINESS**

#### **FINANCIAL STATEMENTS AND REPORTS**

To consider the financial statements of the Company for the financial year ended 31 December 2015 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

#### **RESOLUTION 1 – REMUNERATION REPORT**

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

“That the remuneration report as contained in the directors' report of the Company for the financial year ended 31 December 2015 be adopted.”

#### **RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HU (STEVEN) BIN**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Hu (Steven) Bin, who retires in accordance with ASX Listing Rule 14.4 and clause 13.4 of the Company's constitution and being eligible, offers himself for re-election, be re-elected a director.”

#### **RESOLUTION 3 – RE-ELECTION OF DIRECTOR – RICHARD KUO**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Richard Kuo, who retires in accordance with clause 13.2 of the Company's constitution and being eligible, offers himself for re-election, be re-elected a director.”

#### **RESOLUTION 4 – RE-ELECTION OF DIRECTOR – DAVID BRICKLER**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That David Brickler, who retires in accordance with clause 13.2 of the Company's constitution and being eligible, offers himself for re-election, be re-elected a director.”

## **SPECIAL BUSINESS**

### **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, approval is given to the issue and allotment of 20,102,485 fully paid ordinary shares, as detailed in the Explanatory Statement.”

### **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1A**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, approval is given to the issue and allotment of 13,401,656 fully paid ordinary shares, as detailed in the Explanatory Statement.”

### **RESOLUTION 7 – APPROVAL TO ISSUE SHARES**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and all other purposes, the Company is authorised to issue up to 16,752,070 ordinary shares at an issue price which is not less than 80% of the volume weighted average market price of ordinary shares in the Company over the last 5 days on which sales of such shares were recorded before the day the issue is made and in accordance with the terms and conditions set out in the Explanatory Statement.”

### **RESOLUTION 8 – ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES UNDER ASX LISTING RULE 7.1A**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A, approval is given for the Company to have the additional capacity to issue equity securities of up to 10% of the issued share capital of the Company calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 on the terms and conditions described in the Explanatory Statement.”

### **RESOLUTION 9 – NON-EXECUTIVE DIRECTORS’ REMUNERATION**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 10.17 and clause 13.7 of the Company’s Constitution, the total amount of directors’ fees that may be paid in aggregate and in any one year by the Company to its non-executive directors be increased by A\$50,000, from A\$200,000 to A\$250,000 with effect from the close of the meeting.”

## **VOTING EXCLUSION STATEMENT**

### **RESOLUTION 1 – REMUNERATION REPORT**

As required by the Corporations Act 2001 (Cth) (**Corporations Act**), the Company will in accordance with section 250R, disregard any votes cast on Resolution 1 by or on behalf of a member of the key management personnel for the Company details of whose remuneration are included in the remuneration report, or a closely related party of any such member. However, the Company need not disregard such a vote if the vote is not cast on behalf of such a person and is cast:

- (a) as a proxy by writing that specifies how the person is to vote on the resolution; or
- (b) by the chair of the meeting as a proxy, and the appointment does not specify the way the proxy is to vote and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

The term “closely related party” in relation to a member of the key management personnel includes a spouse, dependent and certain other close family members as well as any companies controlled by the member.

### **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 5 by a person who participated in the issue, and an associate of those persons. However, the Company need not disregard a vote on Resolution 5 if:

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

### **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1A**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 6 by a person who participated in the issue, and an associate of those persons. However, the Company need not disregard a vote on Resolution 6 if:

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

### **RESOLUTION 7 – APPROVAL TO ISSUE SHARES**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 7 by a person who may participate in the proposed issue of securities and any person who might benefit from the issue of securities under this resolution, except a benefit solely in the capacity of a holder of ordinary shares, and an associate of those persons. However, the Company need not disregard a vote on Resolution 7:

- (a) 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

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

#### **RESOLUTION 8 – ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES UNDER ASX LISTING RULE 7.1A**

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit from the proposed issue, except a benefit solely in the capacity of a holder of ordinary shares and an associate of those persons. However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the 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 – NON-EXECUTIVE DIRECTORS' REMUNERATION**

As required by the ASX Listing Rules, the Company will disregard any votes cast on the proposed Resolution 9 by a director of the Company or by any associate of a director of the Company. However, the Company need not disregard a vote on Resolution 9 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act, no member of the Company's key management personnel or a closely related party of any such member may vote as proxy on Resolution 9 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on the Resolution; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to vote on the Resolution even though that resolution is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.

The term "closely related party" in relation to a member of the key management personnel includes a spouse, dependent and certain other close family members as well as any companies controlled by the member.

#### **GENERAL INFORMATION ON PROXY VOTING**

It is the intention of the chair of the meeting to vote eligible undirected proxies in favour of all Resolutions.

In respect of Resolutions 1 and 9, the proxy form contains an express authorisation for the chair of the meeting to exercise undirected proxies even though these resolutions are connected directly or indirectly with the remuneration of a member of key management personnel.

Those shareholders appointing a proxy who do not want the chair of the meeting to vote for them or do not want the chair of the meeting to vote in accordance with the chair's intentions, have the ability to:

- (a) appoint the chair of the meeting as proxy with a direction to cast votes contrary to the chair's stated voting intentions by instructing the chair to vote 'against' or to 'abstain' from voting on the Resolutions; or



- (b) appoint a person other than the chair of the meeting as proxy with or without a direction to cast votes 'for', 'against' or to 'abstain' from voting on the Resolutions (as the shareholder considers appropriate).

**DATED:** 4 March 2016

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Jillian McGregor', written in a cursive style.

**Jillian McGregor**  
**COMPANY SECRETARY**

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of the shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Friday 8 April 2016.

The purpose of this Explanatory Statement is to provide information that the directors believe to be material to shareholders in deciding whether or not to pass the Resolutions in this Notice of Annual General Meeting.

## **FINANCIAL STATEMENTS AND REPORTS**

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2015 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

## **RESOLUTION 1 – REMUNERATION REPORT**

The remuneration report as set out in the directors' report in the Company's Annual Report must be put to the vote for its adoption in accordance with section 250R(2) of the Corporations Act. The vote on this resolution is advisory only and does not bind the directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The remuneration report is part of the directors' report for the financial year ended 31 December 2015.

The Annual Report of the Company (containing the remuneration report) is available on the Company's website at [www.animocabrands.com](http://www.animocabrands.com).

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions about, or make comments on, the remuneration report.

If at least 25% of the votes cast are against the adoption of the remuneration report at this Annual General Meeting, and then again at the following annual general meeting, the Company will be required to put a resolution to the later annual general meeting to approve calling a further general meeting (**spill resolution**). If 50% or more of eligible votes cast are in favour of the spill resolution, the Company must convene a general meeting (**spill meeting**) within 90 days of the later annual general meeting. All of the directors who were in office when the directors' report considered at the later annual general meeting was approved, other than the Managing Director, will need to stand for re-election at the spill meeting.

## **RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HU (STEVEN) BIN**

ASX Listing Rule 14.4 and clause 13.4 of the Company's constitution (**Constitution**) require that any director appointed as an addition to the Board holds office only until the next annual general meeting of the Company and is eligible for re-election at that meeting.

The Board appointed Hu (Steven) Bin as an addition to the Board on 18 August 2015. Accordingly, Steven Hu retires pursuant to ASX Listing Rule 14.4 and clause 13.4 of the Constitution and, being eligible, offers himself for re-election.

Steven Hu has over a decade of experience in the internet & mobile industry and is one of China's pioneers in that space. He currently serves as Co-Chief Executive Officer and a director of Ourpalm, where he oversees that company's strategy and operation and spearheads the transformation of Ourpalm into a global gaming company.

Prior to joining Ourpalm, Mr Hu was a partner at Chinese venture capital firm Qiming Venture Partners, one of the best known and successful investors in China. During his time at Qiming, he played an important role in the firm's investments in promising Chinese companies, including one of the world's largest smartphone makers, Xiaomi, advertising platform Domob, online dating service provider Jiayuan.com (NASDAQ: DATE), Zhihu.com and D.cn. Steven Hu was instrumental in helping these companies grow into industry leaders.

Mr Hu was also a co-founder of KongZhong.net (NASDAQ: Kong), one of China's first mobile value added service providers, where he managed the mobile gaming business. He began his career at Sina (NASDAQ: SINA) and helped launch their news portal, paving the way for the company to eventually become one of China's largest internet portals.

Mr Hu holds a bachelor degree in information science from Peking University.

The Board does not consider Mr Hu to be an independent director as he is the Co-Chief Executive Officer of Ourpalm, a substantial shareholder of the Company.

### **Recommendation**

The directors support the re-election of Mr Hu. They (other than Mr Hu) recommend that shareholders vote in favour of Resolution 2.

### **RESOLUTION 3 – RE-ELECTION OF DIRECTOR – RICHARD KUO**

In general terms, clause 13.2 of the Constitution requires one-third of the directors to retire from office at the Annual General Meeting.

The retiring director, Richard Kuo, is eligible for re-election and accordingly submits himself for re-election as a director of the Company.

Mr Kuo was first appointed to the Board on 24 December 2014.

Mr Kuo (B.Com., LL.B FAICD) is the founder and CEO of Pier Capital, a boutique investment banking firm specialising in the technology sectors.

He is a non-executive director of Probiotec Limited (ASX Listed), Favourit.com and SCEGGS Darlinghurst Limited and has held directorships of Equity Capital Markets Limited, Glenorchy Arts & Sculpture Park and Australian Art Events Foundation.

Mr Kuo initially practiced as a lawyer specialising in corporate law in a large national law firm before moving into investment banking as a corporate financier. His technology experience includes part of the senior management team in Open Telecommunications during a period when it grew to become one of Australia's largest software companies. He has advised on a wide range of domestic and cross-border transactions involving technology and digital media companies and manages a portfolio of emerging Australian and international technology companies.

Mr Kuo is a Fellow of the Australian Institute of Company Directors and holds qualifications in accounting, finance and law together with post graduate qualifications in applied finance and investment.

The Board considers Mr Kuo to be an independent director.

### **Recommendation**

The directors support the re-election of Mr Kuo. They (other than Mr Kuo) recommend that shareholders vote in favour of Resolution 3.

#### **RESOLUTION 4 – RE-ELECTION OF DIRECTOR – DAVID BRICKLER**

In general terms, clause 13.2 of the Constitution requires one-third of the directors to retire from office at the Annual General Meeting.

The retiring director, David Brickler, is eligible for re-election and accordingly submits himself for re-election as a director of the Company.

Mr Brickler was first appointed to the Board on 24 December 2014.

Mr Brickler (BA, MBA) provides IT software integration and technical support for some of Australia's more well known not-for-profit companies. He has recently served as the ICT Manager for Baptistcare - a provider of healthcare and family and community services throughout Victoria and Tasmania. Before this, Mr Brickler was Senior Director of Applications for World Vision International, one of the world's largest non-profit organisations. Prior to that, he served as Asia Pacific CIO for Mizuho Securities Asia Ltd., was an Executive Director of Ernst & Young in Hong Kong, and Global CIO for the Noble Group, one of the largest commodities traders in the world. Mr Brickler was the founder and CEO of Emergent Technology Limited, a venture-backed Hong Kong supply-chain company, and a Vice President of Information Technology at Caspian Securities. Prior to his 14 years in Hong Kong, he spent 15 years in Japan, including several years as the Vice President of Equity Technology at Goldman Sachs Securities Co. Ltd, Japan. Mr Brickler also served in various engineering positions at EDS Japan LLC, Sundai, and Fujitsu Limited.

He holds an MBA from Kellogg-HKUST and a BA from Princeton University and is a fluent speaker of Chinese and Japanese.

The Board considers Mr Brickler to be an independent director.

#### **Recommendation**

The directors support the re-election of Mr Brickler. They (other than Mr Brickler) recommend that shareholders vote in favour of Resolution 4.

#### **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1**

The Company used its capacity under ASX Listing Rule 7.1 to issue 20,102,485 fully paid ordinary shares to sophisticated and professional investors under a placement conducted by the Company in December 2015 at an issue price of A\$0.14 per share.

Under ASX Listing Rule 7.4, shareholders may approve the issue of securities made within the limitation of ASX Listing Rule 7.1. Shareholder ratification of the issues of securities is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its ordinary issued capital, if required, in the next 12 months without shareholder approval.

ASX Listing Rule 7.5 requires the following information to be provided to shareholders:

- (a) the number of ordinary shares issued under ASX Listing Rule 7.1 was 20,102,485;
- (b) the shares were issued on the same terms as and rank equally in all respects with other existing ordinary shares;
- (c) the Company has used and intends to use the funds raised to invest in the development of new mobile entertainment products and the launch of subscription based products such as E-books; and
- (d) Resolution 5 is subject to a voting exclusion statement (see the Notice of Annual General Meeting).

## **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 5.

### **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1A**

The Company also used its capacity under ASX Listing Rule 7.1A to issue 13,401,656 fully paid ordinary shares to sophisticated and professional investors under the placement conducted by the Company in December 2015 at an issue price of A\$0.14 per share.

The Company is also requesting ratification of this share issue under ASX Listing Rule 7.4.

ASX Listing Rule 7.5 requires the following information to be provided to shareholders:

- (a) the number of ordinary shares issued under ASX Listing Rule 7.1A was 13,401,656;
- (b) the shares were issued on the same terms as and rank equally in all respects with other existing ordinary shares;
- (c) the Company has used and intends to use the funds raised to invest in the development of new mobile entertainment products and the launch of subscription based products such as E-books; and
- (d) Resolution 6 is subject to a voting exclusion statement (see the Notice of Annual General Meeting).

## **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 6.

### **RESOLUTION 7 – APPROVAL TO ISSUE SHARES**

In general terms, ASX Listing Rule 7.1 provides that a listed company must not, without prior approval of its shareholders, issue securities if the number of securities issued, when aggregated with the number of securities issued by the company during the previous 12 months, exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

Resolution 7 seeks shareholder approval pursuant to Listing Rule 7.1 for the issue of 16,752,070 ordinary shares (**Approval**). By obtaining the Approval and the approval of Resolutions 5 and 6, the Company will retain the flexibility to issue up to 15% of its issued ordinary share capital under ASX Listing Rule 7.1 (in addition to the shares issued pursuant to this Resolution), if required, in the next 12 months without the need to obtain prior shareholder approval.

Listing Rule 7.3 requires the Notice of Annual General Meeting to include the following information in respect of Resolution 7:

- (a) the maximum number of shares that will be issued under this Resolution is 16,752,070 ordinary shares;
- (b) the ordinary shares will be issued and allotted within 3 months of the date of the meeting at which Resolution 7 is approved;
- (c) the issue price of the ordinary shares will not be less than 80% of the volume weighted average market price for ordinary shares in the Company calculated over the last 5 days on which sales in such ordinary shares are recorded before the day on which the relevant shares are issued, in

accordance with the ASX Listing Rules. The volume weighted average market price is to be calculated as provided in Chapter 19 of the ASX Listing Rules;

- (d) the identity of allottee/s has not yet been determined. The identity of the allottee/s will be at the discretion of the Company or in consultation with any broker or bank the Company may engage to assist in placing the shares or both;
- (e) all shares will be issued to professional or sophisticated investors, or to other persons to whom securities can be issued without a disclosure document under the Corporations Act;
- (f) the shares will be issued on the same terms as and will rank equally in all respects with existing ordinary shares;
- (g) the funds raised are intended to be used for general working capital purposes;
- (h) the shares will be allotted progressively; and
- (i) a voting exclusion statement applies (see Notice of Annual General Meeting). At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the proposed issue of securities. Accordingly, no existing shareholder's votes will be excluded under the voting exclusion in this Notice of Annual General Meeting.

### **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 7.

### **RESOLUTION 8 – ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES UNDER ASX LISTING RULE 7.1A**

#### **General**

ASX Listing Rule 7.1A enables eligible entities to issue equity securities of up to 10% of its issued ordinary share capital through placements over a 12 month period after the annual general meeting at which approval of the issue is obtained (**10% Placement Facility**).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility. If approved, the 10% Placement Facility will be in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and in addition to any shares issued pursuant to a specific approval given under Resolution 7.

The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

While the Company does not have any immediate plans to issue shares using the 10% Placement Facility, purposes for which shares may be issued pursuant to Resolution 8 may include raising funds for working capital and/or corporate growth opportunities.

#### **Description of ASX Listing Rule 7.1A**

- (a) Shareholder approval

The ability to issue equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company.

The Company, as at the date of the Notice of Annual General Meeting, has on issue only one class of quoted equity security, being ordinary shares.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

**(A x D) - E**

**A** is the number of ordinary securities on issue 12 months before the date of issue or 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 Rules 7.1 or 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid ordinary shares cancelled in the 12 months.

**D** is 10%

**E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders of ordinary securities under ASX Listing Rules 7.1 or 7.4.

(d) ASX Listing Rules 7.1 and 7.1A

The ability of an entity to issue equity securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice of Annual General Meeting, the Company has on issue 167,520,708 ordinary shares and therefore at this date has a capacity to issue, subject to shareholder approval being obtained under Resolutions 5, 6 and 8 (and in addition to shares to be issued pursuant to any approval granted under Resolution 7):

- (1) 25,128,106 equity securities under ASX Listing Rule 7.1; and
- (2) 16,752,070 equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue or the agreement to issue of the shares in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

(e) Minimum issue price

The issue price of securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume weighted average market price for securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the securities are to be issued is agreed; or
- (2) if the securities are not issued within five trading days of the date in paragraph (1) above, the date on which the securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (1) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (2) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

### **Listing Rule 7.1A**

The effect of Resolution 8 will be to allow the directors to issue equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

### **Specific information required by ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A, the information set out below is provided in relation to the approval of the 10% Placement Facility:

- (a) The securities will be issued at an issue price of not less than 75% of the volume weighted average market price for securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
  - (1) the date on which the price at which the securities are to be issued is agreed; or
  - (2) if the securities are not issued within five trading days of the date in paragraph (1) above, the date on which the securities are issued.
- (b) If Resolution 8 is approved by shareholders and the Company issues equity securities under the 10% Placement Facility, the existing shareholders' voting power in the Company may be diluted as shown in the below table. There is a risk that:
  - (1) the market price for the Company's equity securities may be significantly lower on the date of the issue of the securities than on the date Resolution 8 is passed; and



- (2) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below shows the dilution of existing shareholders on the basis of the current market price of ordinary shares and the current number of ordinary shares for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Annual General Meeting.

The table also shows:

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

Variable 'A' in ASX Listing Rule 7.1A.2			Dilution	
		A\$0.108 50% decrease in issue price	A\$0.215 issue price	A\$0.43 100% increase in issue price
Current variable A <b>167,520,708</b> ordinary shares	10% Voting dilution	16,752,070 ordinary shares	16,752,070 ordinary shares	16,752,070 ordinary shares
	Funds raised	<b>A\$1,809,224</b>	<b>A\$3,601,695</b>	<b>A\$7,203,390</b>
50% increase in current variable A <b>251,281,062</b> ordinary shares	10% Voting dilution	25,128,106 ordinary shares	25,128,106 ordinary shares	25,128,106 ordinary shares
	Funds raised	<b>A\$2,713,835</b>	<b>A\$5,402,543</b>	<b>A\$10,805,086</b>

100% increase in current variable A <b>333,041,416</b> ordinary shares	10% Voting dilution	33,504,142 ordinary shares	33,504,142 ordinary shares	33,504,142 ordinary shares
	Funds raised	<b>A\$3,618,447</b>	<b>A\$7,203,391</b>	<b>A\$14,406,781</b>

The table has been prepared on the following assumptions:

- the Company issues the maximum number of shares available under the 10% Placement Facility;
  - the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
  - the table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder's holding at the date of the meeting;
  - the table shows only the effect of issues of shares under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1 or other specific approvals under ASX Listing Rule 7.1;
  - the issue of securities under the 10% Placement Facility consists only of ordinary shares; and
  - the issue price is A\$0.215 being the closing price of the Company's ordinary shares on ASX on 19 February 2016.
- (c) The Company will only issue and allot the securities during the 10% Placement Period. The approval of Resolution 8 for the issue of the shares will cease to be valid in the event that shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may issue securities for cash consideration but alternatively may determine to issue securities for a non-cash consideration. The purposes for which securities may be issued pursuant to Resolution 8 may include raising funds for working capital and/or corporate growth opportunities.
- The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A on issue of any securities under ASX Listing Rule 7.1A.
- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of securities will be determined by the directors on a case-by-case basis having regard to factors including but not limited to the following:
- (1) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
  - (2) the effect of the issue of the securities on the control of the Company;

- (3) the financial situation and solvency of the Company;
  - (4) advice from corporate, financial and broking advisers (if applicable); and
  - (5) the potential benefits an allottee could provide to the Company as a strategic investor (if applicable).
- (f) The Company previously obtained shareholder approval under ASX Listing Rule 7.1A at its Annual General Meeting held on 30 June 2015 and provides the following information to comply with ASX Listing Rule 7.3A.6:
- (1) The total number of equity securities issued by the Company in the 12 months preceding the date of the proposed Annual General Meeting is 49,219,455 ordinary shares (as known at the date of this Notice of Annual General Meeting) and the percentage those securities represent of the total number of equity securities on issue at the commencement of that 12 month period (being 165,667,278 equity securities (118,301,253 ordinary shares, 30,000,000 Class A Performance Shares, 15,000,000 Class B Performance Shares and 2,366,025 unlisted options)) is 29.7%;
  - (2) The following details for all issues of equity securities by the Company during the 12 months preceding the date of the proposed Annual General Meeting (as known at the date of this Notice of Annual General Meeting):
    - (A) For an issue of shares in August 2015:
      - (I) 14,785,714 fully paid ordinary shares;
      - (II) the shares have the same terms as and rank equally with existing fully paid ordinary shares but are voluntarily escrowed until 18 August 2016;
      - (III) the shares were issued to FingerFun (HK) Ltd, a subsidiary of Ourpalm Co Ltd;
      - (IV) the issue price was A\$0.21 per share (and the shares were not issued at a discount to the market price on the date of issue); and
      - (V) the total cash consideration for the issue of shares was A\$3,105,000. Substantially all of this cash has been spent on general working capital and the intended use of any remaining cash is for general working capital.
    - (B) For an issue of shares in August 2015:
      - (I) 929,600 fully paid ordinary shares;
      - (II) the shares have the same terms as and rank equally with existing fully paid ordinary shares but are voluntarily escrowed until 18 August 2016;
      - (III) the shares were issued to Taycol Nominees Pty Ltd;
      - (IV) the nominal issue price was A\$0.20 per share (and the shares were not issued at a discount to the market price on the date of issue); and

- (V) the share issue was for non-cash consideration being settlement of capital raising fees payable to the Company's brokers in connection with the Company's offer under its replacement prospectus dated 4 December 2014.
- (C) For an issue of shares in December 2015:
- (I) 33,504,141 fully paid ordinary shares;
  - (II) the shares have the same terms as and rank equally with existing fully paid ordinary shares;
  - (III) the persons to whom the shares were issued were sophisticated and professional investors;
  - (IV) the issue price was A\$0.14 per share (and the discount to the closing market price of the shares on the date of issue was 6.67%);
  - (V) the total cash consideration for the issue of shares was \$4,690,580. Approximately A\$315,000 of this amount has been spent on the development of new mobile entertainment products and the launch of subscription based products such as E-books and the intended use of the remaining funds is for the same purposes.
- (g) A voting exclusion statement is included in this Notice of Annual General Meeting. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the securities. Accordingly, no existing shareholder's votes will be excluded under the voting exclusion in this Notice of Annual General Meeting.

### **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 8.

### **RESOLUTION 9 – NON-EXECUTIVE DIRECTORS' REMUNERATION**

It is proposed to increase the maximum aggregate amount of directors' fees that may be paid to non-executive directors of the Company by A\$50,000, from A\$200,000 per annum to A\$250,000 per annum.

The Board's remuneration policy for non-executive directors aims to ensure that the Company can attract and retain suitably skilled, experienced and committed individuals to serve on the Board. The Company is of the view that the existing maximum directors' fee limit is below market for officers in similar positions.

Shareholder approval of this proposal is sought under clause 13.7 of the Constitution and under ASX Listing Rule 10.17. For the purpose of this Resolution 9, the meaning of 'Directors' fees' is provided in ASX Listing Rule 10.17.

For the purposes of ASX Listing Rule 10.17, no securities have been issued to non-executive directors at any time over the last three years under ASX Listing Rule 10.11 or ASX Listing Rule 10.14.

«EFT\_REFERENCE\_NUMBER»

# ANIMOCA BRANDS CORPORATION LIMITED

ACN: 122 921 813

## REGISTERED OFFICE:

SUITE 3  
SHORE 2/3  
13 HICKSON ROAD  
SYDNEY NSW 2000

## SHARE REGISTRY:

Security Transfer Registrars Pty Ltd  
**All Correspondence to:**  
PO BOX 535, APPLECROSS WA 6953  
AUSTRALIA  
770 Canning Highway, APPLECROSS WA 6153  
AUSTRALIA  
T: +61 8 9315 2333 F: +61 8 9315 2233  
E: registrar@securitytransfer.com.au  
W: www.securitytransfer.com.au

«Company\_code» «Sequence\_number»

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

Code:

AB1

Holder Number:

«HOLDER\_NUM

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE  
ONLINE**

Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person 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 directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am (Sydney time) on Friday 8 April 2016 at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

#### Important for Resolutions 1 and 9

If you appoint the Chairperson of the Meeting as your proxy or he is appointed as your proxy by default, by not marking any of the below "For", "Against" or "Abstain" boxes you will have expressly authorised the Chairperson of the Meeting to vote in favour of Resolution 1 and Resolution 9 even though those items are connected directly or indirectly with the remuneration of a member of the key management personnel.

RESOLUTION	For	Against	Abstain*		For	Against	Abstain*
1. REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. RE-ELECTION OF DIRECTOR - HU (STEVEN) BIN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. APPROVAL TO ISSUE SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. RE-ELECTION OF DIRECTOR - RICHARD KUO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. ADDITIONAL CAPACITY TO ISSUE EQUITY SECURITIES UNDER ASX LISTING RULE 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. RE-ELECTION OF DIRECTOR - DAVID BRICKLER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. NON-EXECUTIVE DIRECTORS' REMUNERATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. RATIFICATION OF PRIOR ISSUE OF ORDINARY SHARES UNDER PLACEMENT PURSUANT TO ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* 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.

### SECTION C: Signature of Security Holder(s)

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

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

**Proxies must be received by Security Transfer Registrars Pty Ltd no later than 11:00am (Sydney time) on Wednesday 6 April 2016.**

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1

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AB1

AB1PX2080416

+



My/Our contact details in case of enquiries are:

Name:

Number:

(  )

**1. NAME AND ADDRESS**

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

**2. APPOINTMENT OF A PROXY**

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

**3. DIRECTING YOUR PROXY HOW TO VOTE**

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

**4. APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two (2) persons as 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 contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities 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 of your votes; and
- b) Return both forms in the same envelope.

**5. SIGNING INSTRUCTIONS**

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

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

**Power of Attorney:** to sign under Power of Attorney you must have already lodged this document with the Company's share 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

**6. LODGEMENT OF PROXY**

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

**Security Transfer Registrars Pty Ltd**

**Online** [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

**Postal Address** PO BOX 535  
Applecross WA 6953 AUSTRALIA

**Street Address** Alexandria House  
Suite 1, 770 Canning Highway  
Applecross WA 6153 AUSTRALIA

**Telephone** +61 8 9315 2333

**Facsimile** +61 8 9315 2233

**Email** [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au)

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

