



**MINQUEST LIMITED  
ACN 146 035 127**

**To be renamed:  
EPAT TECHNOLOGIES LIMITED**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**AND**

**EXPLANATORY STATEMENT**

General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth WA 6872 on 31 August 2016 commencing at 10.00 am (WST).

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

**This Notice of General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in any doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.**

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## IMPORTANT INFORMATION

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### Time and place of meeting

Notice is given that the Extraordinary General Meeting (**EGM**) of the Shareholders to which this Notice of Meeting relates will be held at **10.00 am (Perth time) on Wednesday, 31 August 2016 at** The Celtic Club, 48 Ord Street, West Perth WA 6872.

### Your vote is Important

The business of the EGM affects your shareholding and your vote is important.

### Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the EGM are those who are registered Shareholders at **10 am (Perth time) on Monday, 29 August 2016**.

### Voting in person

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

### Voting by Proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder'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.

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

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

Further details on these changes is set out below.

### Proxy vote if appointment specifies way to vote

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (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;
  - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either For, Against or Abstain on the voting form for each Resolution.

If the Chair of the meeting is appointed or taken to be appointed as 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 Statement are defined either in the Definitions section or where the relevant term is first used.

#### **ASX**

A final copy of this Notice of Meeting and Explanatory Statement 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 an Extraordinary General Meeting of the Shareholders of **MINQUEST LIMITED** ACN 146 035 127 (Company) will be held on Wednesday, 31 August 2016 commencing at 10.00 am (WST) at The Celtic Club, 48 Ord Street, West Perth WA 6872.

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

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## AGENDA

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### ORDINARY RESOLUTIONS

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#### **Resolution 1 – Approval of equity conversion terms of Convertible Notes issued to sophisticated investors (Interim Raising Notes)**

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

*"That for the purposes of ASX Listing Rule 7.1, and for all other purposes, Shareholders approve the equity conversion terms of 1,050,000 convertible notes issued by the Company to sophisticated investors in order to raise an amount of \$1,050,000 as described in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue or any associate of such person. The Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form: or it is cast by the person chairing the meeting as a proxy for the person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides

#### **Resolution 2 – Approval to issue options to sophisticated investors**

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

*"That for the purposes of ASX Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 87,500,000 options to sophisticated investors on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue or any associate of such person. The Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form: or it is cast by the person chairing the meeting as a proxy for the person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides

### **Resolution 3 - Ratification of prior issue of convertible notes to Magna Equities II LLC**

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

*“That pursuant to ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue by the Company to Magna Equities II LLC of unsecured convertible notes with an aggregate face value of US\$207,000 on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Magna Equities II LLC and any other person who participated in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Resolution 4 - Change to the Nature and Scale of Activities (EPAT Acquisition)**

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

*“That, subject to and conditional upon the passing of all Acquisition Resolutions, 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 described in the Explanatory Statement.”*

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

### **Resolution 5 - Disposal of MinQuest Assets**

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

*“That subject to, and conditional upon the passing of all Acquisition Resolutions, and for the purposes of ASX Listing Rule 11.2, and for all other purposes, approval is given for the disposal by the Company of its interests in the Coober Pedy earn in joint venture agreement on the terms and conditions set out in the Explanatory Statement.”*

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

## **Resolution 6 - Consolidation of Capital**

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

*“That subject, to and conditional upon the passing of all of the Acquisition Resolutions, in accordance with Section 254H of the Corporations Act and the Constitution, and for all other purposes, approval is given that the Issued Capital of the Company shall be consolidated on the basis that*

- (a) *every seven (7) Ordinary Shares be consolidated into four (4) Ordinary Shares; and*
- (b) *all Options on issue be adjusted in accordance with Listing Rule 7.22.*

*Where this Consolidation results in a fraction of a Share or Option being held, the Company be authorised to round that fraction up to the nearest whole Share or Option.”*

## **Resolution 7 – Issue of Consideration Shares to vendors**

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

*“That subject to, and conditional upon the passing of all of the Acquisition Resolutions and for the purposes of Listing Rule 7.1, and for all other purposes, approval is given for the issue of Shares (on a Post-Consolidation) basis to the EPAT Vendors or their nominees, on the terms and conditions set out in the Explanatory Statement.”*

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

## **Resolution 8 – Issue of Deferred Consideration Shares to vendors**

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

*“That, subject to, and conditional upon the passing of all Acquisition Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue to the EPAT Vendors or their nominees up to that number of Post-Consolidation Deferred Consideration Shares that when multiplied by the Issue Price is equal to \$1,000,000 on the terms and conditions set out in the Explanatory Statement.”*

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

## **Resolution 9 - Approval to issue securities for Capital Raising**

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

*“That subject to, and conditional upon the passing of all of the Acquisition Resolutions, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue up to 287,500,000 Post-Consolidation Shares at an issue price which is the greater of eighty percent (80%) of the volume weighted average price of the Company’s Shares over the last five days sales were recorded immediately prior to the date of the Prospectus to be issued or \$0.02 per Share, to raise up to \$5,750,000 on the terms and conditions set out in the Explanatory Statement.”*

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

## **Resolution 10 - Approval to issue Facilitation Options**

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

*“That subject to and conditional upon the passing of all of the Acquisition Resolutions, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue up to 45,000,000 Post-Consolidation Options to the Facilitator (or its nominees) with an exercise price per Option equivalent to one hundred and twenty five per cent (125%) of the issue price of Shares pursuant to the Capital Raising the subject of Resolution 9 on the terms and conditions set out in the Explanatory Statement.”*

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

## **Resolution 11 - Appointment of Mr John Murray as a Director**

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

*“That subject to and conditional upon the passing of all of the Acquisition Resolutions, and in accordance with rule 11.7 of the Constitution, and for all other purposes, Mr John Murray having been nominated and provided conditional consent to act as a director of the Company from completion of the EPAT Acquisition, be elected as a director of the Company with effect from completion of the EPAT Acquisition.”*



#### **Resolution 12 - Appointment of Mr Ross Harricks as a Director**

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

*“That subject to and conditional upon the passing of all of the Acquisition Resolutions, and in accordance with rule 11.7 of the Constitution, and for all other purposes, Mr Ross Harricks having been nominated and provided conditional consent to act as a director of the Company from completion of the EPAT Acquisition, be elected as a director of the Company with effect from completion of the EPAT Acquisition.”*

#### **Resolution 13 - Appointment of Mr Philip Daffas as a Director**

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

*“That subject to and conditional upon the passing of all of the Acquisition Resolutions, and in accordance with rule 11.7 of the Constitution, and for all other purposes, Mr Philip Daffas having been nominated and provided conditional consent to act as a director of the Company from completion of the EPAT Acquisition, be elected as a director of the Company with effect from completion of the EPAT Acquisition.”*

#### **Resolution 14 - Approval to issue Shares to Mr Frank Terranova**

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 750,000 shares to Mr Frank Terranova (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

#### **Resolution 15 - Approval to issue Shares to Mr Adam Davey**

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 375,000 shares to Mr Adam Davey (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

### **Resolution 16 - Approval to issue Shares to Mr Paul Niardone**

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 375,000 shares to Mr Paul Niardone (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

### **Resolution 17 - Approval to issue Shares to Mr Jeremy Read**

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,124,950 shares to Mr Jeremy Read (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

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## **SPECIAL RESOLUTION**

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### **Resolution 18 – Change of Company name to EPAT Technologies Limited**

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

*“That subject to, and conditional upon the passing of all Acquisition Resolutions, in accordance with section 157(1) of the Corporations Act, and for all other purposes, the Company change its name from “MinQuest Limited” to “EPAT Technologies Limited” with effect from the date on which the Australian Securities and Investment Commission alters the details of the Company’s registration to reflect the change in name, for the purpose set out in the Explanatory Statement.”*

Please refer to the Explanatory Statement and the definition of Acquisition Resolution attached to this Notice of Meeting for more information regarding each of the Resolutions to be considered at the EGM.

By order of the Board

Stephen Kelly,  
Company Secretary

25 July 2016

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## **1. EXPLANATORY STATEMENT**

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### **1.1 Important Notice**

This Explanatory Statement contains an explanation of, and information about, the Resolutions to be considered at the EGM of Shareholders to be held at 10.00 am (Perth time) on 31 August 2016.

This Explanatory Statement 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.

Shareholders should read this Explanatory Statement in full. This Explanatory Statement forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

This Explanatory Statement does not take into account the individual investment objectives, financial situation and needs of individual shareholders or any other person. Accordingly, it should not be relied on solely in determining how to vote on the Resolutions.

If you are in doubt about what to do in relation to any resolution, you should consult your financial or other professional adviser.

Capitalised terms used in the Notice of Meeting and in this Explanatory Statement are defined in the Definitions section or where the relevant term is first used. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

This Explanatory Statement is dated 25 July 2016.

### **1.2 Responsibility for Information**

The information contained in this Explanatory Statement (other than the information provided by EPAT) has been prepared by MinQuest and is the responsibility of MinQuest. EPAT does not assume any responsibility for the accuracy or completeness of that information.

EPAT has provided the following information concerning it and its intentions:

- the information contained in Sections 2.3 to 2.8 and section 2.14 of this Explanatory Statement which provide background information on EPAT and the EPAT Apps;
- the information set out under Resolutions 11, 12 and 13 and contained in section 2.12 and Annexure F of this Explanatory Statement which relate to the re-composed Board of the Company upon, and subject to, the successful completion of the EPAT Acquisition.

None of MinQuest, its associates or its advisers assumes any responsibility for the accuracy or completeness of the information provided by EPAT.

A copy of this Notice of Meeting and Explanatory Statement have been lodged with the ASX pursuant to the Listing Rules. Neither ASX nor any of its officers take any responsibility for the contents of these documents.

### **1.3 Forward Looking Statements**

Certain statements in this Explanatory Statement relate to the future. These statements reflect views only as of the date of this Explanatory Statement. While MinQuest believes that the expectations reflected in the forward looking statements are reasonable, neither MinQuest nor any other person gives any representation, assurance, or guarantee that the occurrence of an event expressed or implied in any forward looking statements in this Explanatory Statement will actually occur.

## 1.4 The Resolutions

Resolutions 1 to 3 relate to changes to the capital structure of the Company which have already occurred and accordingly are not conditional on the EPAT Acquisition. These resolutions relate to:

- Approval of the equity conversion terms for convertible notes issued to sophisticated investors to raise \$1,050,000 and the issue of 87,500,000 options to the holders of those convertible notes. Approval of these resolutions will preserve the Company's capacity to issue securities under the 15% rule in Listing Rule 7.1.
- The ratification of the issues of convertible notes with a face value of US\$207,000 to Magna Equities II LLC (**Magna**) in order to refresh the Company's capacity to issue securities under the 15% rule in Listing Rule 7.1.

Resolution 10 relates to the payment of a facilitation fee to Patersons for facilitating the EPAT Acquisition and the Capital Raising. The Facilitation Fee is to be satisfied via the issue of Facilitation Options pursuant to Resolution 10.

Resolutions 11, 12 and 13 relate to the appointment of Directors nominated by EPAT, subject to the completion of the EPAT Acquisition.

Resolutions 14 to 17 inclusive relate to a proposal to preserve the company's cash reserves until completion of the EPAT Acquisition through the Company's Existing Directors forgoing a portion of their cash remuneration in return for an equivalent value of the Company's Shares (**Director Shares**). These shares would be issued to the directors at a price which is equal to the Capital Raising Price.

Resolutions 10 to 17 inclusive are not Acquisition Resolutions and as such the completion of the EPAT Acquisition is not conditional upon Shareholders approving these Resolutions.

Resolutions 4 to 9 inclusive and Resolution 18 are the Acquisition Resolutions. The Acquisition Resolutions are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders' votes at the EGM. If any of the Acquisition Resolutions are not approved at the EGM, none of the Acquisition Resolutions will take effect and the Acquisition Agreement and other matters contemplated by the Acquisition Resolutions will not be completed.

Set out below is a summary of the principal matters for which the Company is seeking Shareholder approval pursuant to the Acquisition Resolutions:

- The acquisition of Electronic Pain Assessment Technology (EPAT) Pty Ltd (**EPAT Acquisition**), through the issue of the following to the EPAT Vendors (or their respective nominees):
  - 213,219,616 Post-Consolidation Shares (**Consideration Shares**); and
  - subject to the satisfaction of the Milestone, Deferred Consideration Shares with a value of \$1,000,000.
- The disposal of MinQuest's existing interests in the earn-in joint venture agreement for the Coober Pedy mineral exploration project which comprises the current main business undertaking of MinQuest (**Asset Disposal**).
- The change in the nature and scale of MinQuest's activities as a result of the EPAT Acquisition and the Asset Disposal.
- The Consolidation of MinQuest's capital by consolidating the Company's issued capital such that for each 7 Pre-Consolidation Shares held, a Shareholder will receive 4 Post-Consolidation Shares.
- The issue of up to a further 287,500,000 MinQuest Shares in order to raise an additional \$5,750,000.

- The issue of up to 45,000,000 Facilitation Options to parties who have advised the Company in relation to the EPAT Acquisition and the Capital Raising.
- A change of company name to EPAT Technologies Limited.

## **2. OVERVIEW OF EPAT ACQUISITION**

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### **2.1 Overview of Resolutions**

Resolutions 4 to 9 inclusive and Resolution 18 are the Acquisition Resolutions. They relate to the acquisition of EPAT, the terms of which are summarised below and include various conditions, many of which require shareholder approval. The Acquisition Resolutions are interdependent, and as such all of the Acquisition Resolutions must be approved by Shareholders for the EPAT Acquisition to successfully complete.

An overview of the EPAT Acquisition is set out in this Section 2 of this Explanatory Statement.

### **2.2 Existing activities of the Company**

The Company was incorporated on 27 August 2010 as Minerva Resources Limited and was listed on the Australian Securities Exchange (ASX) on 27 April, 2012 under the name of Merah Resources Limited (ASX:MEH) for the purposes of identifying, evaluating and acquiring investment opportunities in the resources sector.

In September 2014, Shareholders approved the Company's acquisition of Oresearch Pty Ltd and the subsequent change in the Company's name to MinQuest Limited (ASX:MNQ). Since September 2014, the primary focus of the Company has been on exploration activities pursuant to the following earn-in joint venture agreements entered into by the Company:

- (a) The Fyre Lake project located in the Finlayson Lake District, south east Yukon Territory, Canada. MinQuest has entered into an agreement to earn up to a 70% interest in the Fyre Lake Project. On 14 July 2016 the Company was required to make a payment of \$200,000 Canadian dollars and issue shares to the value of \$200,000 Canadian dollars to exercise an option to extend the term of the Fyre Lake earn-in joint venture agreement. The Company did not make those payments on 14 July 2016 and did not exercise its option to extend the term of the Fyre Lake earn-in joint venture agreement.
- (b) The Coober Pedy Project comprises three exploration licenses in the Gawler Craton, South Australia. MinQuest has the ability to earn up to a 100% interest in the Coober Pedy Project.
- (c) An earn-in joint venture agreement entered into on 17 March 2015 pursuant to which the Company had the ability to earn up to a 75% interest in the Marg VMS Project in the Yukon Territory. The Marg Agreement was terminated on 21 April 2016 when the Company advised the optionor that it would not be making option payments that were due under the Marg Agreement.

In January 2016, the Company announced that considering the continued uncertainty regarding the outlook for the mining and metals sector, and what is expected to remain a challenging financing environment for resource companies in the short term, the Board of MinQuest was undertaking a wide ranging review of the Company's business so as to maximise the returns for shareholders, including the consideration of opportunities outside the resources sector.

### **2.3 Change in the nature and scale of the Company's activities**

On 14 April 2016, the Company announced to ASX that it had entered into a Binding Heads of Agreement to acquire all of the issued capital of Electronic Pain Assessment Technology (EPAT) Pty Ltd (ACN 600 520 134) (EPAT).

EPAT is developing mobile medical applications that provide pain assessment for individuals that are unable to communicate with their carers.

As the EPAT Acquisition comprises a significant change in the nature and the scale of the Company's activities, Resolution 4 seeks Shareholder approval for a change in the nature and scale of the activities of the Company. Resolutions 4 to 9 and Resolution 18 are the Acquisition Resolutions. They relate to the acquisition of EPAT, the terms of which are summarised below and include various conditions, many of which require shareholder approval.

Information considered material to Shareholders' decision on whether to pass the Acquisition Resolutions is set out in this Explanatory Statement, and Shareholders are advised to read this information carefully and in its entirety.

## **2.4 Overview of EPAT and the EPAT Apps**

EPAT, which is based in Perth, Western Australia, is developing mobile medical applications that are intended to provide pain assessment for individuals unable to communicate verbally with carers and has evolved from research undertaken by Curtin University over the past 3½ years.

The technology utilises the cameras in smart mobile devices to capture a brief video of patients, which is analysed in real time using facial recognition software to detect the presence of facial micro-expressions that are indicative of the presence of pain. This data is then combined with other indicators of pain, such as vocalisations, behaviours and movements captured through the App by the operator, allowing the automatic calculation of a pain severity score. Due to its ease of use and its reproducibility, the EPAT App can be used in the first instance to detect and measure a patient's pain, after which it can be used to determine the effectiveness of pain management treatment provided to the patient.

The EPAT App is being developed and rolled out in two phases; one for patients with dementia who have lost the ability to communicate with their carers and the second for young children who have not yet learnt to speak.

Additionally, EPAT is actively exploring other potential applications of the technology and algorithms underlying the EPAT App including, but not limited to:

- (a) Assisting in the assessment of personal injury and workers' compensation insurance claims.
- (b) Other patient groups in which the ability to communicate verbally may be impaired, for example people who have suffered a stroke, people with intellectual development delay, people with traumatic brain injury.

### *2.4.1 EPAT for patients with dementia*

The first version of the EPAT App is intended to provide carers of patients with dementia with an accurate, simple to use, evidence based pain assessment tool.

The EPAT App aims to improve the quality of life for patients and carers, as well as save time and money by providing a quick, accurate, objective and reliable means to detect and quantify the pain of patients with dementia, thus facilitating its effective treatment.

Potential users of the EPAT App include residential aged care facilities, hospitals, healthcare professionals and home carers. The EPAT App's ease of use means it will be suitable for use by trained carers as well as professional carers and health care professionals.

In 2015, the EPAT App underwent validation studies in patients with moderate to severe dementia in three residential aged care facilities ("RACF"). The EPAT App demonstrated excellent correlation against the current Australian standard, namely the paper based Abbey Pain Scale. On 19 May 2016 the Company announced that EPAT had successfully completed further validation testing of the EPAT App on a group of aged-care residents with dementia.



The validation studies involved a clinical staff member of the aged care home undertaking pain assessments, as part of standard care of the resident, using the Abbey Pain Scale (APS) and a researcher repeating those assessments using the EPAT App.

Validation was then assessed on the basis of the correlation between matched pairs of APS versus EPAT pain intensity scores. The achieved correlation coefficient was in the range of 0.9.

EPAT is currently in the process of developing an updated version of the EPAT App for dementia patients. The updated EPAT App will incorporate a refined version of its pain scale based on findings from previous validation studies.

In August 2016, EPAT plans to begin further validation studies for the new version of the EPAT App on residents with moderate-to-severe dementia from two accredited Australian aged care homes in the Perth Metropolitan Area.

The validation tests will take place at Mercy Place Mandurah and Mercy Place Lathlain aged care homes with a total of approximately 60 residents (30 residents from each facility) taking part in the study.

EPAT will also undertake implementation studies with industry partners, including BUPA, in the second half of 2016. These studies will test the clinical utility of the App and provide valuable data on the benefits (hence value) of using the App in clinical practice.

Following completion of the implementation studies, EPAT plans to seek regulatory approval in Australia, the United States and the European Union for the EPAT App to be registered as a medical device product.

The table below summarises the indicative timetable for the development of the EPAT for dementia App. The timetable is indicative only and is subject to change.

<b>Milestone</b>	<b>Dates</b>
Validation testing in aged care homes	July – November 2016
Implementation studies in aged care homes	August 2016 – February 2017
Development and lodgement of registration application in Australia and the European Union	July 2016 – February 2017
Analysis of Implementation Data	December 2016 – June 2017
Target for approval of registration in Australia and the European Union	June 2017 – August 2017
Development and lodgement of registration application in the United States	March – June 2017
Target for approval of registration in the United States	November 2017 – January 2018

#### 2.4.2 EPAT for children

EPAT for children is intended to be an innovative pain assessment tool that combines automated facial recognition technology and common pain expressions with the aim of assisting clinicians, carers and parents to identify pain in pre-verbal children including neonates, toddlers and infants.

The App is intended to make similar use of facial recognition technology to the EPAT App for dementia patients however the range of facial micro-expressions which indicate the presence of pain will be expanded as there are a larger number of micro-expressions that are indicative of pain in children than in adults. To facilitate development of the App, EPAT is compiling a library of audio-visual recordings of

infants and young children with and without pain. EPAT has also recently completed BabyFACS<sup>1</sup> coding of a sample of twenty infant videos which will be used in the development of the infant version of the Children's App.

Recognising that young children, particularly infants, may be difficult to console making automated assessment of facial micro-expressions more difficult than in adults, it is planned to incorporate automated analysis of the child's cry as another means of detecting the presence of pain. As with the App for dementia, other features associated with pain, including movement, behaviour and the ability to comfort the child, will be collected via the App to allow the automatic calculation of a pain severity score.

EPAT plans to develop three Apps for children covering the age groups of 0-1 year, 1-3 years and older than 3 years. Development of the Apps is expected to commence in October this year with a prototype available for initial validation testing in March 2017. All three Apps are targeted to be available for sale by July 2018.

#### *2.4.3 Other potential applications of the EPAT technology*

On 15 June 2016, the Company announced that EPAT had signed a binding Memorandum of Understanding ("MoU") with UK-based insurance counter-fraud group Strenuus Ltd ("Strenuus").

Under the terms of the MoU, EPAT will enter an exclusive working relationship with Strenuus with the intention of developing a scalable anti-fraud medico-legal assessment platform through the integration of EPAT's capabilities within Strenuus' behavioural assessment platform, SCAN<sup>®</sup>.

In particular, Strenuus and ePAT will seek to develop a tool incorporating EPAT's pain recognition application for facial expression mapping to assess the validity of people's claims for whiplash injury.

According to a report of the Association of British Insurers dated December 2013, whiplash claims cost the UK insurance industry £2 billion (~A\$3.9 billion) a year<sup>2</sup>.

## **2.5 Proposed changes to Board and Management**

The Company's Board currently comprises:

- (a) Mr Frank Terranova (Non Executive Chairman)
- (b) Mr Paul Niardone (Non-Executive Director)
- (c) Mr Adam Davey (Non-Executive Director)
- (d) Mr Jeremy Read (Managing Director)

Mr Terranova, Mr Niardone and Mr Read shall resign on completion of the EPAT Acquisition. It is intended that Mr Davey will continue as a Non-Executive Director. EPAT will propose two Non-Executive Directors to the Board, including the Chairman, and will appoint the Managing Director.

It is intended that Mr Stephen Kelly will resign as Company Secretary and Chief Financial Officer on completion of the EPAT Acquisition and Mr Ian Hobson will be appointed as Company Secretary and Chief Financial Officer.

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<sup>1</sup> Facial Action Coding System for Infants and Young Children (BabyFACS) is used to research changes and continuities in facial expressions of emotion, infants' responses to taste, odour, and other sensory stimuli, cognitive information processing, and expressive behaviour occurring in naturalistic and experimental situations, and during parent-child interactions.

<sup>2</sup> <https://www.abi.org.uk/~media/Files/Documents/Publications/Public/2013/Motor/ABI%20submission%20to%20the%20Transport%20Select%20Committee%20whiplash%20inquiry.ashx>

EPAT has assembled a team of highly skilled and experienced experts to develop and commercialise the EPAT Apps. These experts will be engaged either directly as employees of EPAT or via commercial agreements entered into with third parties such as Curtin University.

See section 14 of this Explanatory Statement for further information on the proposed Non-Executive Directors.

Set out below is background information in relation to the skills and experience of the key management personnel that will assist the Company in the development and commercialisation of the EPAT Apps.

#### *2.5.1 Managing Director – Philip Daffas*

If the EPAT Acquisition completes, it is proposed that Mr Philip Daffas will be appointed as the Managing Director of the Company.

Philip is a highly accomplished global business leader and people manager with an international career spanning more than 25 years with leading blue-chip healthcare corporates and novel technology start-up companies.

Philip has held senior global business leadership positions in Europe, US and Australia. He has been instrumental in building businesses, growing market share and developing extensive high-level customer relationships in each sector.

Philip's roles in Australia have included VP Global Marketing at Cochlear and General Management with Roche Diagnostics and Bio-Rad Laboratories, and CEO of Applied Physiology, an Australian start up software company in the intensive care monitoring sector.

Philip's earlier experience was gained in Europe with market leaders such as IVAC infusion systems and Shiley cardiopulmonary products. He subsequently joined Boehringer Mannheim, initially in the UK managing their diagnostics business and subsequently was promoted to Global Marketing Director in the Diabetes Care business based in Mannheim, Germany.

In 1997 Philip joined Cochlear in the UK as the European Sales and Marketing Manager and subsequently was promoted to the VP Global Marketing role based in Sydney, Australia.

Philip graduated in the UK with a BSc and Diploma in Electronic Engineering, Philip also holds an MBA and is a Graduate of the Australian Institute of Company Directors (GAICD).

#### *2.5.2 Chief Financial Officer and Company Secretary – Ian Hobson*

Ian is a chartered accountant and chartered secretary who acts as non-executive director and company secretary to ASX listed companies, trustee corporations, charitable trusts and private organisations. Prior to commencing his own practice, Ian had in excess of 20 years professional accounting experience working for large chartered accounting firms together with commercial experience in Australia, UK and Canada.

As an experienced finance and corporate governance professional, Ian brings a wealth of experience to boards contributing to financial management, corporate governance, capital raising strategies and transaction and due diligence capabilities drawn from exposure to a variety of industries.

Ian is a facilitator with the AICD and presents the finance units for the Company Director Course.

### 2.5.3 Key Research Personnel

The research and development of the EPAT Apps to date has been in large part due to the knowledge, skills and expertise of Dr Jeff Hughes, Mr Mustafa Atee and Dr Kreshnik Hoti (**Key Researchers**) whilst employees of Curtin University. It is intended that if the EPAT Acquisition completes, Dr Jeff Hughes and Mr Mustafa Atee will remain employees of Curtin University and Dr Kreshnik Hoti will enter into an employment or consultancy agreement with the Company.

The Company and Curtin University are negotiating a Research Agreement pursuant to which Curtin University will make available to the Company the services of Dr Hughes and Mr Atee to the extent that they are required for the development of the EPAT App for Dementia and the EPAT Apps for Children in accordance with the indicative development timelines set out in section 2.4.1 and section 2.4.2 respectively of this Explanatory Statement. In return for securing the services of Dr Hughes and Mr Atee, the Company will pay Curtin University an agreed research fee.

Biographical information in respect of each of the Key Researchers is set out below:

- (a) Dr Jeff Hughes is a professor in the School of Pharmacy, Curtin University in Western Australia. Professor Hughes served as the Head of the School of Pharmacy of Curtin University, from March 2009 to May 2014.

He is recognised as a leader in clinical pharmacy research, education and practice in Australia. He was the recipient of the 1998 Society of Hospital Pharmacists of Australia's (SHPA) Glaxo Medal of Merit and in 2001 received SPHA's Clinical Pharmacy award. Further, in 2004 his efforts in the areas of clinical pharmacy education and pharmacy research were acknowledged when he was named the Pharmaceutical Society of Australia's (PSA) Pharmacist of the Year. More recently he received the 2008 Eric Kirk Memorial Award from the Pharmaceutical Society of Western Australia, the 2009 AACP-Pfizer Consultant Pharmacist Award and the 2014 Australasian Pharmaceutical Sciences Association Medal.

Dr Hughes is currently a Director of the Pharmaceutical Society of Western Australia and the Pharmaceutical Society of Australia of which he is the National Vice President and the Chair of the Financial, Audit and Risk Management Committee. Dr Hughes is also a community pharmacy proprietor and a practising accredited pharmacist.

Dr Hughes has contributed significantly to clinical pharmacy education and practice through his role as the Consultant Editor of the "Australian Pharmacy" and editorial membership of the "Journal of Pharmacy Practice and Research". He has also supervised numerous PhD, Masters and Honours candidates to completion and acted as a mentor for early career researcher. Dr Hughes has a strong publication record contributing to 20 books (as an author/editor), and publishing over 200 articles in peer review and professional journals.

- (b) Mr Mustafa Atee is a clinical, community and academic pharmacist. Throughout his 11-year career in pharmacy, he has managed a number of community pharmacies in WA. Mustafa holds a postgraduate diploma and master degrees in clinical pharmacy. Mustafa is currently studying a PhD with School of Pharmacy, Curtin University that focuses on improving pain management amongst patients with dementia. The EPAT concept was born out of his PhD research. His award-winning PhD project has been supported by both a grant and an academic scholarship from Alzheimer's Australia. Mustafa's project was a finalist in the Incite Awards, OzApp and LESANZ Awards. Mustafa is also an academic mentor and lecturer with Curtin University and Curtin College.
- (c) Dr Kreshnik Hoti is a registered community and consultant pharmacist with a PhD in Pharmacy and an accreditation from the Australian Association of Consultant Pharmacy. Dr Hoti has extensive practice experience in reviewing the use and safety of medicines in community and

aged care settings, especially in geriatric patients with chronic conditions. Ensuring adequate pain management was a key focus in Dr Hoti's extensive experience with medication reviews in elderly patients, including those with dementia. Kreshnik has established interprofessional education and practice programs in specialised dementia aged care facilities and has developed dementia focused workshops. Dr Hoti has served as an expert witness for WA's clinical senate and has facilitated training of WA general practitioners and registrars on collaborative practice through WAGPET. Dr Hoti has participated in a number of collaborative research projects contributing to research design, data analysis, interpretation of findings and report/publication writing. He is a recipient of competitive funding from Alzheimer's Australia and is one of the inventors of the award winning EPAT (electronic pain assessment tool). Dr Hoti currently holds an Adjunct Senior Lecturer position at the School of Pharmacy, Curtin University and has been recently elected Vice-Dean for Academic Affairs at the Faculty of Medicine, University of Prishtina.

## 2.6 Background of the current market

### 2.6.1 EPAT for patients with dementia

More than 47.5 million people worldwide are living with dementia and there are 7.7 million new cases every year.<sup>3</sup> The total estimated worldwide cost of dementia in 2015 was US\$818 billion.

In Australia alone, it is estimated that dementia affects more than 353,800 Australians at a cost of more than \$4.9 billion per year to the economy. The number of people with dementia and the associated spending on dementia is expected to continue to grow at a significant rate<sup>4</sup>. An estimated 1.2 million people are involved in the care of a person with dementia<sup>5</sup>.

Zwaleken and colleagues<sup>6</sup> in their systematic review of behavioural pain assessment tools stated:

*"There is evidence that pain assessment is currently inadequate and that elderly people with dementia are being undertreated...The main reason for under treatment is under detection...There is therefore a need for manageable, valid and reliable pain assessment tools."*

It is estimated up to 85% of patients with dementia suffer pain at some time and 50% experience pain regularly.<sup>7</sup> In many instances, this pain goes unreported due to the inability of patients to communicate effectively.

Whilst there are a number of methodologies currently available to facilitate pain assessment in patients that are unable to communicate effectively, those methodologies are highly subjective, have issues of reproducibility and / or require some involvement or interaction by the patient. The deficiencies in the currently available tools for the assessment of pain in patients with dementia contribute to the following adverse outcomes:

- Failure to detect and manage pain effectively
- Behavioural disturbances as a result of unrecognised or poorly managed pain, which can lead to the inappropriate use of anti-psychotic agents
- Poor quality of life for patients and carers.
- Increased carer burden and healthcare costs.

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<sup>3</sup> WHO Dementia Fact Sheet April 2016

<sup>4</sup> Sourced from <https://fightdementia.org.au/about-dementia/statistics>

<sup>5</sup> <https://fightdementia.org.au/files/NATIONAL/documents/Key-facts-and-statistics.pdf>

<sup>6</sup> BMC Geriatrics 2006; 6:3 doi: 10.1186/1471-2318-6-3

<sup>7</sup> Journal of Clinical Interventions in Ageing 31 October 2013

The EPAT App aims to improve the quality of life for patients and carers, as well as save time and money by providing a quick, accurate, objective and reliable means to detect and quantify the pain patients with dementia suffer, thus facilitating its effective treatment.

The majority of other available pain Apps are for self-management of pain and are often criticised for lack of theoretical rationale, scientific validity and professional healthcare input into their development. The EPAT App is unique because:

- It is the first App to use facial recognition technology for pain detection on a smart device.
- It has a strong scientific basis.
- Before its release, the App’s accuracy will be validated through clinical trials.

*2.6.2 EPAT for Children*

According to Pain Australia, “pain is the most common reason that people seek medical help – yet it remains one of the most neglected and misunderstood areas of healthcare”.

To diagnose pain correctly in preverbal children, consultation with a health care professional is needed as this age group lacks the language ability to describe their pain. Additionally, research suggests that health care professionals’ assessment of children’s pain is not always accurate. For instance, nurses rely on intuitions, assumptions, and personal beliefs in order to assess children’s pain rather than objective, accurate and adaptable assessment.

Preverbal children are neonates (0-1 month) and infants and toddlers (1 month-3 years)

Poor documentation, recognition and assessment of pain in children are very common and result in inadequate management of pain.

The following are the characteristics of pain in children:

- At least one third (25% -35%) of children experience chronic pain.
- Children with chronic pain often drop out of school, can become socially withdrawn and isolated, fail to achieve their academic potential and miss job opportunities.
- There are only five dedicated multidisciplinary paediatric pain services in Australia and only one of these in a regional centre.
- Children and adolescents with disabilities, often present from birth, are a special group who may suffer a lifetime of pain. Their pain is frequently ignored or underestimated as a result of communication difficulties and the presence of other medical problems that have higher priority.
- Infants often experience rashes, teething pain, middle ear infections, and, once they become mobile, mild abrasions.
- Recent Australian data (Price et al., 2012) show 68 per cent of mothers of seven-month-old sleep disturbed infants (which maybe pain –associated) have increased depression scores, similar to fathers (Tikotzky & Sadeh, 2009).

**2.7 Intellectual property**

EPAT has taken steps to secure its intellectual property as follows.

*2.7.1 Copyright*

<b>Copyright</b>
Pain Assessment Tool checklist

### 2.7.2 Assigned Intellectual Property Rights - Patents

Intellectual Property Right	Assignor
World Intellectual Property Organisation international patent application no. PCT/AU2015/000501	Curtin University of Technology

### 2.7.3 Licensed Intellectual Property Rights – Other

Intellectual Property Right	Licensor	Term
Source Code for the Algorithm used to detect facial ‘Action Units’	nVISO	5 years
Facial recognition engine and nVISO’s facial landmark detection algorithm	nVISO	5 years
EPAT Application and Development Contract (Darwin Digital)	Darwin Digital	Perpetual from May 2016.

## 2.8 Business model

EPAT plans to pursue multiple revenue streams in the commercialisation of the EPAT Apps.

### 2.8.1 EPAT for Dementia App

It is proposed that the EPAT App for Dementia may be commercialised as follows:

- (a) Business-to-Consumer (B2C): Available to home and professional carers of dementia patients and health care practitioners via the Apple App store and Google Play store.
- (b) Business-to-Business (B2B): Under licence through software vendors to residential aged care facilities, medical clinics and hospitals.

### 2.8.2 EPAT for Children Apps

It is proposed that the EPAT for children Apps may be commercialised as follows:

- (a) Business-to-Consumer (B2C): Available to parents or carers of young preverbal children via the Apple App store and Google Play store.
- (b) Business-to-Business (B2B): Under licence through software vendors to childcare centres, early learning centres, schools, clinics and hospitals.

## 2.9 Share sale agreement

On 25 July 2016, the Company, EPAT, Curtin University and the EPAT Vendors entered into the Share Sale Agreement (**Share Sale Agreement**). Subject to various conditions, the Company agreed to purchase 100% of the ordinary shares in EPAT, and Curtin University and the EPAT Vendors agreed to sell all their ordinary shares in EPAT to the Company.

In that regard Curtin University and the EPAT Vendors currently hold all of the ordinary shares in EPAT, however it is a condition precedent of the Share Sale Agreement that Curtin University sell its shares in EPAT in a market based sale transaction. Under the Share Sale Agreement Curtin University has undertaken to procure that any purchaser of its shares in EPAT agree to sell all their shares in EPAT to the Company. The consideration payable to the purchasers of Curtin University’s EPAT Shares is on the same terms as the consideration payable to the other EPAT Vendors.

Set out below is a summary of the significant terms of the Share Sale Agreement:

- (a) Subject to the satisfaction (or waiver) of the conditions precedent, the total consideration for the purchase of the EPAT Shares comprises:
- (i) 373,134,328 fully paid ordinary shares in MNQ to EPAT shareholders (on a pre-consolidation basis) (213,219,616 shares on a post-consolidation basis) (“**Consideration Shares**”) for 100% of their shares. It is anticipated that the Consideration Shares issued to the EPAT Vendors will be escrowed for up to 24 months post re-listing and otherwise in accordance with ASX Listing Rules.
  - (ii) In addition to the Consideration Shares, the EPAT Vendors shall be entitled to receive ordinary shares in MNQ to the value of \$1,000,000 if the Milestone is achieved (**Deferred Consideration Shares**). The Milestone will be achieved if any of the following occur:
    - (A) Regulatory Approval having been received to enable commercial use of the EPAT App in Australia, the United States of America or Europe within 12 months of the completion date of the transaction;
 

“Regulatory Approval” means approval by the Therapeutic Goods Administration of Australia, Food and Drug Administration of the United States, or a CE mark from the relevant authority in Europe; or
    - (B) Within 12 months of the completion date, the Company executes a binding licence agreement to licence the EPAT App to:
      - (1) one or more residential aged care facilities facility owners managing in total in excess of 150 beds; or
      - (2) one or more medical clinics which service in total in excess of 2,000 patients per year; or
      - (3) a metropolitan hospital with in excess of 200 beds;
 

(each an End User) or
      - (4) a global distribution partner with multiple End Users as existing customers.

The issue price for the Deferred Consideration Shares will be the greater of \$0.01 per Share or the volume weighted average price of MNQ shares for the five trading days prior to the date on which MNQ satisfies the conditions for the issue of the Deferred Consideration Shares.
- (b) The Share Sale Agreement is subject to and conditional upon the following conditions precedent:
- (i) The Company obtaining all necessary approvals of its Shareholders in relation to the EPAT Acquisition (ie the Acquisition Resolutions) and all ancillary approvals required to complete the EPAT Acquisition.
  - (ii) The Company receiving confirmation from the ASX that:
    - (A) The Company has complied with the ASX Listing Rules, particularly Chapters 1,2 and 11; and
    - (B) The Company’s Shares may recommence quotation on the ASX following completion of the Transaction.
  - (iii) The Company divesting its entire legal and beneficial interests in the MinQuest Assets.
  - (iv) The Company conducting a consolidation of its share capital.



- (v) The Company completing a capital raising of at least \$4,000,000.
- (vi) Each EPAT Vendor executing an Escrow Deed.
- (vii) Curtin University selling all of its shares in EPAT in a market based transaction.

## 2.10 Effect of the proposed transaction on the Company

By acquiring 100% of the issued capital of EPAT, the Company will be pursuing the development and commercialisation of EPAT's mobile medical applications that use facial recognition software to facilitate and improve pain assessment in patients that are unable to communicate.

Set out in Annexure 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 31 December 2015.

The capital structure of the Company following completion of the Acquisition, Consolidation, issue of securities and a completion of the Minimum Capital Raising or Maximum Capital Raising is set out in the tables below:

Shares	Pre-Consolidation Shares	Post-Consolidation Shares	
		\$4,000,000 Capital Raising	\$5,750,000 Capital Raising
Shares currently on issue	296,805,545	169,603,169	169,603,169
Shares to be issued on conversion of Interim Raising Notes	87,500,000	50,000,000	50,000,000
Consideration Shares to be issued	373,134,328	213,219,616	213,219,616
Deferred Consideration Shares to be issued on achievement of milestone	N/a	50,000,000	50,000,000
Shares to be issued pursuant to the Capital Raising	N/a	200,000,000	287,500,000
Director Shares to be issued	N/a	4,624,950	4,624,950
<b>Total Shares on issue following completion and re-compliance</b>	<b>757,439,873</b>	<b>687,447,735</b>	<b>774,947,735</b>

Options	Pre-Consolidation Options	Post-Consolidation Options	
		\$4,000,000 Capital Raising	\$5,750,000 Capital Raising
Options currently on issue	88,436,522	50,535,155	50,535,155
Options to be issued to holders of Interim Raising Notes	87,500,000	50,000,000	50,000,000
Facilitation Options to be issued pursuant to the Capital Raising	N/a	45,000,000	45,000,000
<b>Total Shares on issue following completion and re-compliance</b>	<b>175,936,522</b>	<b>145,535,155</b>	<b>145,535,155</b>

### Notes:

1. The above tables assume that no options are exercised. A summary of the terms of options on issue or to be issued is set out in Annexure B.
2. The post-Consolidation Shares on issue are approximate as fractional entitlements resulting from the Capital Consolidation will be rounded up, so the exact number of Shares will only be known after the Capital Consolidation.
3. It has been assumed that the Capital Raising Shares and Deferred Consideration shares will be issued at a price of \$0.02 being the minimum issue price for the Capital Raising but the actual price may vary.
4. It has been assumed that the Interim Raising Notes will be converted into Shares at a price of \$0.02 being the assumed Capital Raising Price.
5. It has been assumed that the maximum number of Director Shares will be issued at a price of \$0.02.

## 2.11 Relevant interest and voting power

This section 2.11 sets out the effect of the issue of Shares issued pursuant to the EPAT Acquisition, conversion of the Interim Raising Notes and the Capital Raising on Relevant Interests and Voting Power in relation to the Company.

On completion of the EPAT Acquisition, the Consolidation, the capital raise and the conversion of the Interim Raising Notes, the indicative shareholdings of the Company will be as follows:

Assuming a \$4,000,000 Capital Raising:

	Post - Consolidation Basis				
	Shares	Options	Total	Undiluted %	Diluted %
Existing Shareholders	169,603,169	50,535,155	220,138,324	25%	26%
Conversion of Interim Raising Notes and exercise of Note Options	50,000,000	50,000,000	100,000,000	7%	12%
Issue of Director Shares	4,624,950	-	4,624,950	1%	1%
Issue of Consideration Shares	213,219,616	-	213,219,616	31%	26%
Issue of Deferred Consideration Shares	50,000,000	-	50,000,000	7%	6%
Capital Raising Shares	200,000,000	-	200,000,000	29%	24%
Facilitation Options	-	45,000,000	45,000,000	0%	5%
	<b>687,447,735</b>	<b>145,535,155</b>	<b>832,982,890</b>	<b>100%</b>	<b>100%</b>

Assuming a \$5,750,000 Capital Raising

	Post - Consolidation Basis				
	Shares	Options	Total	Undiluted %	Diluted %
Existing Shareholders	169,603,169	50,535,155	220,138,324	22%	24%
Conversion of Interim Raising Notes and exercise of Note Options	50,000,000	50,000,000	100,000,000	6%	11%
Issue of Director Shares	4,624,950	-	4,624,950	1%	1%
Issue of Consideration Shares	213,219,616	-	213,219,616	28%	23%
Issue of Deferred Consideration Shares	50,000,000	-	50,000,000	6%	5%
Capital Raising Shares	287,500,000	-	287,500,000	37%	31%
Facilitation Options	-	45,000,000	45,000,000	0%	5%
	<b>774,947,735</b>	<b>145,535,155</b>	<b>920,482,890</b>	<b>100%</b>	<b>100%</b>

As at the date of the Notice of Meeting, the following EPAT Vendors had a relevant interest in the Company's Existing Shares

Name	Shares	Options	Total	Voting power %
Sobol Capital Pty Ltd	-	-	-	-
Curtin University of Technology	-	-	-	-
J & E Consulting Pty Ltd	-	-	-	-
Kreshnik Hoti	-	-	-	-
Mustafa Abdul Wahed Atee	-	-	-	-
Kevin Fynn	-	-	-	-
Husif Nominees Pty Ltd	-	-	-	-
	-	-	-	-

If the conversion terms of the Interim Raising Notes are approved and the Interim Raising Notes are converted into Shares and the Acquisition Resolutions are approved, the EPAT Acquisition completes and the Consideration Shares, Deferred Consideration Shares and Capital Raising Shares are issued and the Consolidation occurs, the EPAT Vendors will have a relevant interest in the Company's equity securities as set out in the table below:

Name	Consideration Shares	Deferred Consideration Shares	Total Shares	Voting power assuming \$4,000,000 Capital Raising		Voting power assuming \$5,750,000 Capital Raising	
				Undiluted	Fully Diluted	Undiluted	Fully Diluted
Sobol Capital Pty Ltd	7,615,131	1,785,749	9,400,880	1.37%	1.13%	1.21%	1.02%
Curtin University of Technology	98,994,571	23,214,227	122,208,798	17.78%	14.67%	15.77%	13.28%
j & E Consulting Pty Ltd	31,348,370	7,351,192	38,699,562	5.63%	4.65%	4.99%	4.20%
Kreshnik Hoti	31,348,370	7,351,192	38,699,562	5.63%	4.65%	4.99%	4.20%
Mustafa Atee	31,348,370	7,351,192	38,699,562	5.63%	4.65%	4.99%	4.20%
Kevin Fynn	4,949,675	1,160,699	6,110,374	0.89%	0.73%	0.79%	0.66%
Husif Nominees Pty Ltd	7,615,131	1,785,749	9,400,880	1.37%	1.13%	1.21%	1.02%
	<b>213,219,616</b>	<b>50,000,000</b>	<b>263,219,616</b>	<b>38.29%</b>	<b>31.60%</b>	<b>33.97%</b>	<b>28.60%</b>

The numbers and percentage in the table above assume that the Company does not issue any other Shares or options to any person prior to the completion of the EPAT Acquisition and that no Options (including the Note Options, the Facilitation Options and the Incentive Options) are exercised.

## 2.12 Proposed changes to the Board of Directors and Senior Management

The Company's Board currently comprises:

- (a) Mr Frank Terranova (Non-Executive Chairman)
- (b) Mr Paul Niardone (Non-Executive Director)
- (c) Mr Adam Davey (Non-Executive Director)
- (d) Mr Jeremy Read (Managing Director)

Mr Terranova, Mr Read and Mr Niardone shall resign at Completion. It is intended that Mr Davey will continue as a Non-Executive Director.

It is intended that Mr Stephen Kelly will resign as Company Secretary and Chief Financial Officer at Completion and Mr Ian Hobson will be appointed as Company Secretary and Chief Financial Officer.

If Shareholders approve Resolutions 11,12 and 13 and if the EPAT Acquisition completes the Company's Board of Directors will comprise the following:

Mr John Murray	Non-Executive Chairman
Mr Ross Harricks	Non-Executive Director
Mr Adam Davey	Non-Executive Director
Mr Philip Daffas	Managing Director

Biographical information for Mr Murray and Mr Harricks is provided in Section 14 of this Explanatory Statement. Biographical information for Mr Daffas is provided in Section 2.5.1 of this Explanatory Statement.

The Company has been advised that it is intended that the Post-Transaction Board will, subject to obtaining any required Shareholder approvals in relation to the proposed equity based remuneration, be entitled to receive the following remuneration:

Name	Position	Cash Remuneration inclusive of superannuation \$	Equity based remuneration \$
Mr John Murray	Non- Executive Chairman	\$80,000	Options equivalent to 3% of the fully diluted equity securities of the Company on the terms described in Annexure F .
Mr Adam Davey	Non-Executive Director	\$40,000	Options equivalent to 1.5% of the fully diluted equity securities of the Company on the terms described in Annexure F .
Mr Ross Harricks	Non-Executive Director	\$40,000	Options equivalent to 1.5% of the fully diluted equity securities of the Company on the terms described in Annexure F .

Name	Position	Cash Remuneration inclusive of superannuation \$	Equity based remuneration \$
Mr Philip Daffas	Managing Director	\$225,000	Options equivalent to 5% of the fully diluted equity securities of the Company on the terms described in Annexure F .

*Notes:*

1. *The Non-Executive Chairman and the Non-Executive Directors will not be entitled to any additional cash remuneration for serving on Board sub-committees.*
2. *The issue of the equity based remuneration will be subject to any Shareholder approval required by the Listing Rules and the Corporations Act. The Company has been advised that it is intended that Shareholder approval for the proposed equity based compensation will be sought at the first general meeting of Shareholders that is held following completion of the EPAT Acquisition. The proposed terms of the equity based remuneration are set out in Annexure F.*
3. *It is proposed that the Managing Director will be entitled to three month's notice in the event of termination without cause.*

### **2.13 Capital Raising**

In order to provide funding for the ongoing development, validation and commercialisation of the EPAT Apps and to satisfy the Conditions Precedent, the Company must conduct a Capital Raising and re-comply with Chapters 1 and 2 of the ASX Listing Rules.

The Directors have determined that the Capital Raising will be undertaken on the following terms:

- (a) The amount to be raised is a minimum of \$4,000,000 and a maximum of \$5,750,000.
- (b) The issue price will be the greater of eighty percent (80%) of the volume weighted average price (VWAP) of the Company's shares for the five days on which trading occurred immediately prior to the issue of the Prospectus or \$0.02 per Share.

In considering the amount to be raised under the Capital Raising, the Directors had regard to the following:

- (a) The planned uses of funds set out in section 2.14 of this Explanatory Statement.
- (b) The ability of the Company to satisfy the Net Assets Test for the purposes of re-complying with Chapter 11 of the ASX Listing Rules.

### **2.14 Expenditure plans and uses of funds**

The Company intends to use the funds raised from the Shares issued pursuant to the Prospectus, as contemplated by Resolution 8, as follows:

	\$4,000,000 Capital Raising		\$5,750,000 Capital Raising	
	Amount (\$)	%	Amount (\$)	%
Capital raising fees	\$ 340,000	9%	\$ 430,000	7%
Research and development	\$ 972,851	24%	\$ 1,186,784	21%
Sales and marketing	\$ 511,188	13%	\$ 1,253,675	22%
Intellectual property and regulatory	\$ 225,000	6%	\$ 260,000	5%
Corporate and administration	\$ 1,670,961	42%	\$ 1,819,688	32%
Working capital	\$ 280,000	7%	\$ 799,853	14%
	<b>\$ 4,000,000</b>	<b>100%</b>	<b>\$ 5,750,000</b>	<b>100%</b>

**Notes:**

1. The proposed application of funds is forecast to occur in the period July 2016 to June 2018.
2. The corporate and administration expenses include wages, board fees, accounting, legal, audit, ASX and ASIC fees, insurance, rent and other expenses.
3. The proposed application of funds includes \$374,425 research and development tax incentives that the Company may receive in the period July 2016 to June 2018 that have been offset against Research and Development expenditure.
4. The Directors are satisfied that, upon completion of the Public Offer, the Company will have sufficient capital to meet its stated objectives as outlined in this Notice of Meeting.

## 2.15 Indicative timetable

The indicative timetable for completion of the proposed transaction and the matters contemplated by the Acquisition Resolutions, subject to compliance with all regulatory requirements, is set out in the table below. These dates are indicative only and are subject to change. The Directors reserve the right to amend the timetable without notice.

Action	Date
Lodgement of Prospectus with ASIC	15 August 2016
Extraordinary General Meeting	31 August 2016
Prospectus offer closes	31 August 2016
Securities registered on a post-Consolidation basis	2 September 2016
Issue of all New Shares	5 September 2016
Completion of the Proposed Transaction	5 September 2016
Dispatch of new holding statements to Shareholders	7 September 2016
Satisfaction of ASX conditions for reinstatement	13 September 2016
Commencement of trading of New Shares on ASX	26 September 2016

## 2.16 Risks associated with the Acquisition

Shareholders should be aware that if the Acquisition Resolutions are approved and the proposed transaction is completed, the Company will be changing the nature and scale of its activities which will be subject to various risk factors. These risks are both specific to the development and commercialisation of the EPAT smart phone application technology and also relate to the general business and economic environment in which the Company will operate.

An investment in the Company is not risk free and Shareholders should consider the risk factors described below, together with information contained elsewhere in this Notice of Meeting. The following is not intended to be an exhaustive list of the risk factors to which the Company will be exposed to on the acquisition of EPAT.

Based on the information available, the principal risks facing the Company upon completion of the Proposed Transaction will be as follows:

### *Risks relating to the Change in Nature and Scale of Activities*

(a) *Reinstatement of securities to quotation on ASX*

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

There is a risk that there will be a delay in the Company being able to meet the requirements of ASX for re-quotation of its Shares. Should this occur, the Shares and Options will not be able to be traded on the ASX until such time as those requirements are met. Shareholders may be prevented from trading their Shares and quoted Options should the Company be suspended until such time as it does re-comply with the Listing Rules.

If the Company is unable to meet the requirements of ASX for re-quotation of its Shares by 30 September 2016 the Company will not have satisfied the Conditions Precedent under the Share Sale Agreement and the acquisition of EPAT may not be completed.

(b) *Contractual risk*

Pursuant to the Acquisition Agreement (summarised in section 2.9 above) the Company has agreed to acquire 100% of the issued capital of EPAT subject to the fulfilment of certain conditions precedent.

The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under the Acquisition Agreement. If any party defaults in the performance of its obligations, or any conditions precedent are unable to be satisfied for any other reason, the acquisition may not complete. It may be necessary for the Company to approach a court to seek a legal remedy or to defend a legal action commenced against the Company, which may be costly.

(c) *Liquidity and Dilution Risk*

Prior to the Offers, there will be 296,805,545 pre- Consolidation Shares on issue.

If all the Shares are issued pursuant to the Offers, then the total number of post- Consolidation Shares on issue following Completion of the Proposed Acquisition and re-compliance will be approximately 687,447,735 Shares if a \$4,000,000 Capital Raising is completed and 774,947,735 Shares if a \$5,750,000 Capital Raising is completed. This assumes that no Options or Note Options, Facilitation Options or Incentive Options are exercised and no further Shares are issued

If all of the Options, Note Options, Facilitation Options and Incentive Options are also exercised then the total number of post-Consolidation Shares will be approximately 827,982,890 Shares on issue if a \$4,000,000 Capital Raising is completed and 915,482,890 Shares if a \$5,750,000 Capital Raising is completed. This assumes that no further Shares are issued.

Upon re-quotation of the Company's shares, a significant portion of the Shares on issue (including the Consideration Shares issued to the EPAT Vendors in accordance with the Acquisition Agreement and Shares issued on conversion of the Interim Raising Notes) will be subject to escrow restrictions imposed by the Listing Rules. Some investors may consider that there is an increased liquidity risk as a large portion of the issued capital may not be able to be traded freely for a period of up to 24 months.

### *Risks specific to the acquisition of EPAT*

(d) *Competition and New Technologies*

The industry in which EPAT is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While EPAT will undertake all reasonable due diligence in its business decisions and operations, EPAT will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of EPAT's business. For instance, new technologies could overtake the advancements made by EPAT's products. In that case, EPAT's revenues and profitability could be adversely affected.

(e) *Special Reputational Risks*

EPAT operates in a fast-changing environment, and negative publicity can spread quickly, whether true or false. Negative comments about EPAT may have a disproportionate effect on EPAT's reputation and its ability to earn revenues and profits. Additionally, complaints by customers can lead to additional regulatory scrutiny and a consequential increase compliance burden in responding to regulatory inquiries. This could negatively impact on EPAT's profitability.

(f) *Limited Trading History*

EPAT is a start-up company with a limited trading history and there is therefore uncertainty in relation to the business of EPAT. Investors should consider EPAT's prospects in light of its limited financial history. In addition, there is no guarantee that EPAT will be able to successfully develop or commercialise its products and if it is unable to do so it may not be able to realise significant revenues in the future and may not achieve commercial viability.

(g) *Reliance on Key Researchers and Curtin University*

The research and development of the intellectual property has been in large part due to the knowledge, skills and expertise of Dr Jeff Hughes, Mr Mustafa Atee and Dr Kreshnik Hoti whilst employees of Curtin University (**Key Researchers**). The Key Researchers will continue developing the EPAT technology either as an employee or consultant to the Company in the case of Dr Hoti or pursuant to a Research Agreement that is to be entered into by the Company and Curtin University if the EPAT Acquisition is completed in the cases of Dr Hughes and Mr Atee (refer section 2.5.3 of this Explanatory Statement).

There is no assurance that the Key Researchers will continue to be employees or consultants to the Company, or employees of Curtin University. In addition, there is no assurance that they will remain physically and mentally able to continue in their current or future roles.

As noted above, on completion of the transaction, EPAT intends to enter into research agreements with Curtin University for the further development of the EPAT technology. There is no assurance that this agreement will be secured, that it will not be terminated or that it will be renewed on the expiry of its term.

If any of the contracts noted above were terminated or breached, EPAT would need to find alternative means of performing the development work, and EPAT's operations and business may be adversely affected.

(h) *Reliance on senior management personnel*

*The responsibility of overseeing the day-to-day operations and the strategic management of EPAT will depend substantially on its senior management, including the proposed directors. There can be no guarantee of the continued engagement of the senior management personnel, and there may be a detrimental impact on EPAT if one or more of the proposed directors or other senior management ceases their engagement with EPAT. The Company has been advised that it is intended that the Post-Transaction Board will, subject to obtaining all required Shareholder approvals, issue Options to the members of the Post-Transaction Board. There is a significant risk that should these Options not be granted for any reason, including a failure to obtain all necessary shareholder approvals, one or more of the members of the Post-Transaction Board*

*may cease their engagement with EPAT. Should such an engagement be terminated, EPAT would be required to engage further suitable management personnel. There is no guarantee that EPAT will be able to attract and retain suitably qualified personnel.*

(i) *Outsourcing*

The Company and EPAT outsource to consultants for expert advice and contract organisations (including Curtin University) for research, clinical and programming and coding services. There is no guarantee that such experts or organisations will be available as required or will meet expectations.

(j) *Liability Claims*

EPAT may be exposed to liability claims if its products or services are provided in fault and/or cause harm to its customers. As a result, EPAT may have to expend significant financial and managerial resources to defend against such claims. If a successful claim is made against EPAT, EPAT may be fined or sanctioned and its reputation and brand may be negatively impacted, which could materially and adversely affect its reputation, business prospects, financial condition and results of operation.

(k) *Customer Service Risk*

Customers may need to engage with EPAT's customer service personnel in certain circumstances, such as if they have a question about the services or if there is a dispute between a customer and EPAT. EPAT needs to recruit and retain staff or engage external service providers with interpersonal skills sufficient to respond appropriately to customer services requests. Poor customer service experiences may result in the loss of customers. If EPAT loses key customer service personnel, fails to provide adequate training and resources for customer service personnel, this could lead to adverse publicity, litigation, regulatory inquiries and/or a decrease in customers, all of which may negatively impact on EPAT's revenue.

(l) *Risks Associated with the Regulatory Environment*

EPAT is based in Australia and is subject to Australian laws and regulations. For example, EPAT is required to comply with *Therapeutic Goods Act 1989* (Cth). If EPAT expands into other markets, for example the United States of America, then EPAT will be subject to United States laws and regulations. Users, competitors, members of the general public or regulators could allege breaches of the legislation. This could result in remedial action or litigation, which could potentially lead to EPAT being required to pay compensation or fines. EPAT's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with its regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon EPAT's profitability. In addition, if regulators took the view that EPAT had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant reputational damage to EPAT and consequent impact upon its revenue.

(m) *Future Capital Needs*

Further funding may be required by EPAT to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain funding will adversely affect the business and financial condition of EPAT and consequently its performance.

(n) *Foreign Exchange Risks*

If EPAT has costs and expenses in other jurisdictions, such as the United States of America or Europe, then they will likely be denominated in foreign currency. Accordingly, the depreciation and/or the appreciation of the relevant foreign currency relative to the Australian currency could result in a translation loss on consolidation which is taken directly to shareholder equity. Any depreciation of the foreign currency relative to the Australian currency may result in lower



than anticipated revenue, profit and earning. EPAT could be affected on an ongoing basis by foreign exchange risks between the Australian dollar and the relevant foreign currency, and will have to monitor this risk on an ongoing basis.

(o) *Insurance Coverage*

EPAT faces various risks in connection with its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. EPAT will maintain insurance coverage for its employees (as required by law in Australia) as well as insurance coverage for management liability, corporate liability, product liability, employment practices liability, crime protection and statutory liability. However, EPAT does not maintain insurance against various other liabilities. If EPAT incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, its financial position may be adversely affected.

(p) *Validation and Implementation Studies*

The EPAT Apps must still undergo further implementation and validation studies. These studies may show that the Apps do not work in a safe and effective manner. The Company intends to conduct validation and implementation studies of the EPAT Apps in the future, but there can be no guarantee that relevant regulatory agencies such as the TGA (Therapeutic Goods Administration in Australia) or the FDA (Food and Drug Administration in the U.S.A.) or other regulatory agencies will allow the Company to undertake such studies. Additionally, the development and approval process may take longer, cost more than expected and may result in the EPAT Apps not becoming an approved medical device.

(q) *Commercialisation Risk*

There is a risk that EPAT will not be able to successfully commercialise or sell its products, or will be unable to attract sufficient customers to be sufficiently profitable to fund future operations.

(r) *Intellectual Property Protection*

The possible future commercial success of the EPAT Apps may rely upon the ability to obtain and maintain patent protection and there is no guarantee that the claims and applications in respect of the EPAT apps will be found to be valid and enforceable or that all of the patent applications will be granted. The defence and prosecution of intellectual property rights are costly and time consuming and their outcome is uncertain.

Even with granted patent protection, the patents could be partially or wholly invalidated following challenges by third parties. The grant of a patent does not guarantee validity of that patent since it may be revoked on the ground of invalidity at any time during its life. If none of the claims of a granted patent are valid, the patent is unenforceable.

(s) *Infringement of Third-Party Intellectual Property*

If a third-party accuses EPAT of infringing its intellectual property or if a third-party commences litigation against EPAT for infringement of patent or other intellectual property rights, EPAT may incur significant costs in defending such action, whether or not it ultimately prevails. Costs that EPAT incurs in defending third party infringement actions would also include diversion of management's and technical personnel's time.

In addition, parties making claims against EPAT may be able to obtain injunctive or other equitable relief that could prevent EPAT from further developing discoveries or commercialising its products. In the event of a successful claim for infringement against EPAT, it may be required to pay damages and obtain one or more licenses from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, or at all, it could encounter delays in product introductions and loss of substantial resources while it attempts to develop alternative products. Defence of any lawsuit or failure to obtain any of these licenses could prevent EPAT from commercialising available products and could cause it to incur substantial expenditure.

(t) *Trade Secrets*

EPAT has acquired and developed (and will continue to develop) trade secrets in the form of specialised processes and software (including certain algorithms) which are used by EPAT for its business. EPAT takes a number of precautions to protect such trade secrets.

While the steps taken and the laws relating to trade secrets assist to protect proprietary rights, there can be no guarantee that unauthorised use or copying of that specialised technology or algorithms will be prevented, or that those employees that have access to the trade secrets will adhere to their confidentiality obligations.

Any significant failure or inability to adequately protect and control these proprietary trade secrets (which may be held by third-parties such as Curtin University) may harm the Company's business, reduce its ability to compete, result in an immediate lack of capability in relation to core systems, as well as a loss of competitive advantage.

(u) *Partnerships*

The commercial strategy for products which may be derived from the EPAT Apps potentially includes forming partnerships with other companies that have the ability to effectively commercialise the Apps in key economic markets and there is no assurance that suitable partnerships will be secured, or that products can be commercialised.

(v) *Reliance on Third-Party Vendors*

EPAT plans to utilise third-party hardware ('smartphones'), software ('mobile operating systems' and 'integrated healthcare software systems') and distribution ('app stores') platforms for commercialisation of the EPAT Apps. If access to these platforms were terminated or reduced, EPAT's operations and business may be adversely affected.

(w) *Competition*

The medical device industry is highly competitive and other corporations may commercialise products that may compete with the EPAT Apps or which may reach the market before any EPAT Apps or any products derived from them are launched.

## **2.17 Advantages of the EPAT Acquisition ("Acquisition")**

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

- (a) The Company will change the nature of its activities to include the business of developing mobile device application technology to assist in the assessment of pain.
- (b) The Acquisition represents a significant opportunity for the Company to increase the scale of its activities which should increase the number and size of the investor pool that may invest in the Company's Shares and may allow the Company to more readily raise additional working capital (if required) and as such may increase its ability to acquire further projects.
- (c) The Acquisition provides the Company with the opportunity to increase its market value.
- (d) The Directors consider that the Transaction will resolve the significant funding challenges for the Company if it were to continue to proceed to earn an interest in the Coober Pedy project pursuant to the earn in joint venture agreements or to seek to acquire other mineral exploration projects.
- (e) The Company will acquire one hundred percent (100%) of EPAT and its business by the issue of Shares.

## **2.18 Disadvantages of the EPAT Acquisition**

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

- (a) The Company will be changing the nature of its activities to become a company focused on the development of Apps to assist in the assessment and management of pain, which may not be consistent with the objectives of all Shareholders.
- (b) The Acquisition and Capital Raising will result in the issue of Shares to the EPAT Vendors and new investors, which will have a dilutionary effect on the holdings of Shareholders.
- (c) There are inherent risks associated with the change in the nature and scale of the Company's activities. Some of these risks are summarised in section 2.16 above.

## **2.19 Plans for the Company if the Acquisition Resolutions are not passed**

If any of the Acquisition Resolutions are not passed, none of the Acquisition Resolutions will take effect and the Acquisition Agreement and other matters contemplated by the Acquisition Resolutions will not be completed.

Should this occur, the Company may, subject to satisfying its obligations under the agreements, retain its interests in its existing earn in joint venture agreement for the Coober Pedy Project. It is noted in section 8 of this Explanatory Statement that as at the date of the Notice of Meeting, the Company had not earned a direct ownership interest in the Coober Pedy Project.

For the Company to earn a direct ownership interest in the Coober Pedy Project, it will be required to incur the exploration expenditure specified in that agreement and summarised in section 8.1 of this Explanatory Statement. There is no guarantee that the Company will be able to raise the required financing within the required timeframes.

On 18 July 2016 the ASX suspended the Company's Shares from trading subsequent to the Company's announcement that it had ceased to have an interest in the Fyre Lake farm in joint venture agreement. The Company's securities may remain suspended from trading on the ASX unless the Company is able to acquire other projects (subject to any required Shareholder and ASX approvals).

## **2.20 Directors' interests in the EPAT Acquisition**

Other than as disclosed in this Notice of Meeting and Explanatory Statement, none of the Company's existing Directors have any interest in the EPAT Acquisition, except for Mr Adam Davey, a Non-Executive Director of the Company who is an employee of Patersons Securities Limited (**Patersons**). Patersons are the Company's financial advisor in relation to the EPAT Acquisition and the Capital Raising. Under the terms of its mandate with the Company, Patersons will receive a cash fee equivalent to 6% of any funds raised pursuant to the Capital Raising and may receive up to 45,000,000 Facilitation Options.

## **2.21 Directors' unanimous recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of the Acquisition Resolutions to enable the EPAT Acquisition to successfully complete and to facilitate the satisfaction of the ASX requirements to enable re-quotation of the Company's securities. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolutions 4 to 10 and Resolution 18 being the Acquisition Resolutions. The Chairman intends to vote all undirected proxies in favour of each of the Acquisition Resolutions.

### 3. IMPACT OF RESOLUTIONS ON ISSUED CAPITAL AND CONTROL

#### 3.1 Impact on issued capital if all Resolutions are approved

A pro forma capital table demonstrating the impact of the Acquisition Resolutions to give effect to the EPAT Transaction (and all other resolutions contemplated in the accompanying Notice of Meeting) is set out below. All Shares and Options are presented on a Post-Consolidation basis.

Resolution Number	Description	Post-Consolidation Shares				Post-Consolidation Options				Total Post-Consolidation Equities	
		Shares (Number)	Shares (cumulative)	% at issue	after issue of all Shares per resolution	Options (Number)	Options (cumulative)	% at issue	% fully diluted	Number	Cumulative
3	Current issued capital (including shares to be ratified in Resolution 3)	169,603,169	169,603,169	100%	22%	50,535,155	50,535,155	100%	5%	220,138,324	220,138,324
1	Approval of conversion terms of Interim Notes	50,000,000	219,603,170	6%	28%	-	50,535,155	0%	5%	50,000,000	270,138,324
2	Issue of Options to holders of Interim Notes	-	219,603,170	0%	28%	50,000,000	100,535,155	50%	11%	50,000,000	320,138,324
4	Change to nature and scale of activities	-	219,603,170	0%	28%	-	100,535,155	0%	11%	-	320,138,324
5	Disposal of MinQuest Assets	-	219,603,170	0%	28%	-	100,535,155	0%	11%	-	320,138,324
6	Consolidation of Capital	-	219,603,170	0%	28%	-	100,535,155	0%	11%	-	320,138,324
7	Issue of Consideration Shares to EPAT Vendors	213,219,616	432,822,786	28%	56%	-	100,535,155	0%	11%	213,219,616	533,357,940
8	Issue of Deferred Consideration Shares to EPAT Vendors	50,000,000	482,822,786	6%	62%	-	100,535,155	0%	11%	50,000,000	583,357,940
9	Issue of securities for Capital Raising	287,500,000	770,322,786	37%	99%	-	100,535,155	0%	11%	287,500,000	870,857,940
10	Issue of Facilitation Options	-	770,322,786	0%	99%	45,000,000	145,535,155	31%	16%	45,000,000	915,857,940
11 to 13	Appointment of Directors	-	770,322,786	0%	99%	-	145,535,155	0%	16%	-	915,857,940
14 to 17	Issue of Director Shares	4,624,950	774,947,736	1%	100%	-	145,535,155	0%	16%	4,624,950	920,482,890
18	Change of Company name	-	774,947,736	0%	100%	-	145,535,155	0%	16%	-	920,482,890

**Notes:**

1. *Shares and Options on issue at the date of the meeting have been adjusted to reflect the 4 for 7 consolidation proposed by Resolution 6. The resulting Post-Consolidation Shares and Options are approximate as fractional entitlements resulting from the Capital Consolidation will be rounded up, so the exact number of Shares and Options will only be known after the Capital Consolidation*
2. *It has been assumed that no options are exercised*
3. *It has been assumed that the maximum Capital Raising of \$5,750,000 was achieved at a price of \$0.02 being the minimum issue price for the Capital Raising but the actual price may vary*
4. *It has been assumed that the Deferred Consideration shares will be issued at a price of \$0.02 being the minimum issue price for the Capital Raising but the actual price may vary.*
5. *It has been assumed that the Interim Raising Notes will be converted into Shares at a price of \$0.02 but the actual price may vary. Refer section 5.2 for the terms of the Interim Raising Notes.*
6. *It has been assumed that the maximum number of Director Shares will be issued at an issue price of \$0.02.*

#### **4. RESOLUTION 1 – APPROVAL OF CONVERSION TERMS OF CONVERTIBLE NOTES ISSUED TO SOPHISTICATED INVESTORS**

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##### **4.1 General**

We are seeking Shareholder approval for Resolution 1 referred to in the accompanying Notice of Meeting for the purposes of approving the conversion terms of convertible notes issued to sophisticated investors on 22 April 2016 and 18 July 2016.

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT. A summary of the key terms of the EPAT Agreement is set out in section 2.9 of this Explanatory Statement.

Subsequent to the announcement of the EPAT Agreement, the Company has issued a total of 1,050,000 Convertible Notes (**Interim Raising Notes**) to raise \$1,050,000 as follows:

- (a) On 22 April 2016 the Company announced that it had completed an interim capital raising via an issue of 750,000 convertible notes (Interim Raising Notes) to raise \$750,000. Subject to receiving shareholder approval, the Company proposes to issue 62,500,000 options to the holders of Interim Raising Notes.
- (b) On 18 July 2016 the Company announced that it had completed an interim capital raising via an issue of 300,000 convertible notes (Interim Raising Notes) to raise \$300,000. Subject to receiving shareholder approval, the Company proposes to issue 25,000,000 options to the holders of Interim Raising Notes.

The funds raised through the Interim Raising Notes are being applied by the Company for the following purposes:

- (a) to repay the outstanding balance of convertible notes drawn under the Convertible Loan Facility with Magna Equities II LLC (“Magna”);
- (b) costs associated with the proposed transaction with EPAT; and
- (c) general working capital purposes.

Resolution 1 seeks approval for the conversion terms of the Interim Raising Notes. Listing Rule 7.1 prohibits the Company (subject to certain exceptions such as pro rata issues) from issuing or agreeing to issue equity securities (such as Shares and Options) representing more than 15% of the Company’s total issued securities during a rolling 12-month period, without Shareholder approval (**15% Threshold**).

The conversion terms of the Interim Raising Notes are subject to Shareholder approval and as such the Interim Raising Notes were not classified as equity securities for the purposes of Listing Rule 7.1 at the time that they were issued. However, the issue of Shares pursuant to conversion of the Interim Raising Notes will represent an issue of equity securities pursuant to Listing Rule 7.1; the Company is therefore seeking Shareholder approval for the conversion terms.

##### **4.2 Information required by the Listing Rules**

For the purposes of Listing Rule 7.3 the Company presents the following information relevant to the securities the subject of this Resolution 1.

Item	Information
<b>Number of Interim Raising Notes issued and Issue Price</b>	<p>1,050,000 Interim Raising Notes were issued at \$1.00 each to raise \$1,050,000.</p> <p>The face value of Interim Raising Notes issued that are the subject of Resolution 1 is \$1,050,000.</p>
<b>Terms on which the Interim Raising Notes may be converted into Shares.</b>	<p>Subject to Shareholder approval, the Interim Raising Notes are convertible to fully paid ordinary shares in the Company as follows:</p> <ol style="list-style-type: none"> <li>a. if the acquisition of EPAT completes, the Notes will convert to Shares at the lower of 1.2 cents (on a pre-Consolidation basis) or the price at which shares are issued pursuant to the capital raising proposed to be conducted as a condition precedent of the acquisition of EPAT; or</li> <li>b. if the acquisition of EPAT does not complete by 30 September 2016, the Notes will convert to Shares at 80% of the 15 day VWAP of the Shares: <ol style="list-style-type: none"> <li>i. between 30 September 2016 and 31 December 2016 at the election of the Noteholder; or</li> <li>ii. otherwise on 31 December 2016;</li> </ol> </li> <li>c. if shareholders do not approve the conversion of the Notes, the Company will redeem the Notes in cash on 31 December 2016 at a 30% premium to their face value.</li> </ol>
<b>Issue date / date by which the entity will issue the securities.</b>	<p>The Interim Raising Notes were issued on 22 April 2016 and 18 July 2016.</p>
<b>Terms of the Interim Raising Notes</b>	<p>The terms of the unlisted Convertible Notes are set out in Annexure B to this Explanatory Statement.</p>
<b>Terms of the Shares on conversion of the Interim Raising Notes</b>	<p>The Shares shall be fully paid ordinary shares in the capital of the Company that shall rank equally in all respects with the Company's existing Shares on issue.</p>
<b>Name of allottees or basis on which determined</b>	<p>The Interim Raising Notes were issued to sophisticated investors who subscribed for Interim Raising Notes. No related party participated in the allotment of the Interim Raising Notes.</p>
<b>Use of funds</b>	<p>The funds raised through the Interim Raising Notes are being applied by the Company for the following purposes:</p> <ol style="list-style-type: none"> <li>(a) to repay the outstanding balance of convertible notes drawn under the Convertible Loan Facility with Magna Equities II LLC ("Magna");</li> <li>(b) costs associated with the proposed transaction with EPAT; and</li> </ol>

Item	Information
	(c) general working capital purposes.

#### **4.3 Related party information**

The Interim Raising Notes were not issued to any related parties and the commensurate number of Shares to be issued upon conversion of the Interim Raising Notes are not proposed to be issued to any related parties without prior approval of the Company's Shareholders as required under the Listing Rules.

#### **4.4 Dilutionary impact of Resolution 1**

The dilutionary impact of the securities that may be issued by the Company if Resolution 1 is approved is presented in section 3 of this Explanatory Statement.

#### **4.5 Restricted securities**

Subject to the re-quotation of the Company's Shares on the ASX, some or all of the Consideration Shares to be issued to the EPAT 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 the Consideration Shares are prohibited from being transferred, trading in the Company's securities may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

#### **4.6 Impact of Shareholder approval**

The effect of Resolution 1 will be to allow the Company to issue Shares on the conversion of the Interim Raising Notes, without using the Company's 15% placement capacity.

If Shareholders do not approve Resolution 1, the conversion terms of the Interim Raising Note will not become effective and the Company will be required to repay the Interim Raising Notes for \$1,365,000 in cash being a thirty per cent premium to their face value on 31 December 2016.

#### **4.7 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 the Meeting Materials and has been previously disclosed to Shareholders.

#### **4.8 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 1. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 1. The Chairman intends to vote undirected proxies in favour of Resolution 1.



## 5. RESOLUTION 2 – APPROVAL TO ISSUE OPTIONS TO HOLDERS OF INTERIM RAISING NOTES

### 5.1 General

We are seeking Shareholder approval for Resolution 2 referred to in the accompanying Notice of Meeting for the purposes of approving the issue of options to holders of the Interim Raising Notes.

As outlined in section 2 of this Explanatory Statement, the Company has issued a total of 1,050,000 Interim Raising Notes as follows:

- (a) On 22 April 2016 the Company announced that it had completed an interim capital raising via an issue of 750,000 convertible notes (Interim Raising Notes) to raise \$750,000. Subject to receiving shareholder approval, the Company proposes to issue 62,500,000 options (**Note Options**) to the holders of Interim Raising Notes.
- (b) On 18 July 2016 the Company announced that it had completed an interim capital raising via an issue of 300,000 convertible notes (Interim Raising Notes) to raise \$300,000. Subject to receiving shareholder approval, the Company proposes to issue 25,000,000 options (**Note Options**) to the holders of Interim Raising Notes.

Resolution 2 seeks Shareholder approval for the issue of the Note Options. Listing Rule 7.1 prohibits the Company (subject to certain exceptions such as pro rata issues) from issuing or agreeing to issue equity securities (such as Shares and Options) representing more than 15% of the Company's total issued securities during a rolling 12-month period, without Shareholder approval (**15% Threshold**).

### 5.2 Information required by the Listing Rules

For the purposes of Listing Rule 7.1 the Company presents the following information relevant to the securities the subject of this Resolution 2.

Item	Information
<b>Number of Note Options to be issued and Issue Price.</b>	If Resolution 2 is approved, 87,500,000 Note Options will be issued.  The Note Options will be issued for nil consideration.
<b>Terms on which the Note Options may be converted into Shares.</b>	Each Note Option may be converted into one fully paid ordinary Share in the Company at an exercise price equivalent to the price at which Shares are issued under the Capital Raising.  The Note Options will have a 3 year exercise term from the date on which they are issued.
<b>Issue date / date by which the entity will issue the securities.</b>	If Shareholders approve Resolution 2, the Note Options will be issued within a three month period after the date of the Meeting.
<b>Terms of the Note Options</b>	The terms of the unlisted Note Options are set out in Annexure C to this Explanatory Statement.
<b>Terms of Shares issued on exercise of the Note Options</b>	The Shares issued on exercise of the Note Options shall be fully paid ordinary shares in the capital of the Company that shall rank equally in all respects with the Company's existing Shares

Item	Information
	on issue.
<b>Name of allottees or basis on which determined</b>	The Note Options are to be issued to sophisticated investors who subscribed for Interim Raising Notes. No related party participated in the allotment of the Interim Raising Notes.
<b>Use of funds</b>	The Note Options are being issued for Nil consideration and as such no funds will be received by the Company on the issue of the Note Options.

### **5.3 Related party information**

The Interim Raising Notes were not, and the Note Options will not be, issued to any related parties and the commensurate number of Shares to be issued upon the exercise of the Note Options, are not proposed to be issued to any related parties without prior approval of the Company's Shareholders as required under the Listing Rules.

### **5.4 Dilutionary impact of Resolution 2**

The dilutionary impact of the securities that may be issued by the Company if Resolution 2 is approved is presented in section 3 of this Explanatory Statement

### **5.5 Restricted securities**

As the exercise price of the Note Options will be equal to the price at which Shares will be offered in the Capital Raising, the Company does not anticipate that the Note Options or any Share issued on the exercise of the Note Options will be subject to any restrictions.

### **5.6 Impact of Shareholder approval**

The effect of Resolution 2 will be to allow the Company to issue the Note Options during the period of three months after the Meeting, without using the Company's 15% placement capacity.

### **5.7 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 the Meeting Materials and has been previously disclosed to Shareholders.

### **5.8 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 2. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 2. The Chairman intends to vote undirected proxies in favour of Resolution 2.

## 6. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES TO MAGNA EQUITIES II LLC

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### 6.1 Introduction

The Company announced on 12 August 2015 that it had entered into a US\$1 million Convertible Loan facility (“**Magna Facility**”) with Magna Equities II, LLC (“**Magna**”).

Under the original terms of the Magna Facility, MinQuest was to draw down the US\$1 million in two tranches of US\$500,000 subject to receiving Shareholder approval. Shareholder approval of the Magna Facility was obtained at the Extraordinary General Meeting of Shareholders held on 7 October 2015 (**October 2015 EGM**). The effect of the Shareholder approval was to allow the Company to issue the Convertible Notes to Magna during the period of 3 months after the October 2015 EGM, without using the Company’s 15% annual placement capacity.

On 12 November 2015, the Company announced that the Company and Magna had agreed to vary the terms of the Magna Facility to reduce the total funds available under the facility to US\$580,000 to be drawn down by MinQuest in a number of tranches in the period to June 2016.

The Company subsequently issued convertible notes with a face value of US\$207,000 under the Magna facility with an issue date more than three months after the October 2015 EGM, and as such the Company was required to reduce its available 15% placement capacity under Listing Rule 7.1 by 34,379,463 Shares as a consequence of those convertible notes being issued notwithstanding that the convertibles notes were repaid in full, in cash, utilising funds obtained from the Interim Capital Raising.

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

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

By ratifying the issue of the convertible notes, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 6.2 Technical information required by Listing Rule 7.5

The following information is provided pursuant to Listing Rule 7.5:

Item	Information
Number of Shares issued	The Company issued convertible notes with a face value of US\$207,000. In accordance with Listing Rule 7.1 at the time those convertible notes were issued the Company reduced its placement capacity under Listing Rule 7.1 by 34,379,463 Shares. No Shares were physically issued by the Company at the time the Convertible Notes were issued.

<b>Item</b>	<b>Information</b>
	<p>Magna subsequently issued conversion notices in respect of convertible notes with a value of US\$30,000 in respect of which the Company issued 5,896,385 Shares.</p> <p>On 6 May 2016, the Company repaid in cash the US\$177,000 outstanding balance of the convertible notes. No further Shares will be issued by the Company pursuant to the convertible notes.</p>
<b>Issue Price</b>	<p>The Convertible Notes raised US\$207,000 in cash.</p> <p>The 5,896,385 Shares issued on the partial conversion of the Convertible Notes were issued at a price of \$0.00663 per Share.</p>
<b>Terms of the Convertible Notes</b>	The terms of the unlisted Convertible Notes are set out in Annexure D to this Explanatory Statement.
<b>Terms of the Shares on conversion of the Convertible Notes</b>	The Shares issued on the partial conversion of the convertible notes were fully paid ordinary shares in the capital of the Company that rank equally in all respects with the Company's existing Shares on issue.
<b>Name of allottees or basis on which determined</b>	Magna Equities II LLC.
<b>Use of funds</b>	To provide funds to progress the Company's exploration projects in Australia and Canada and for other corporate purposes.

### **6.3 Related party information**

The Convertible Notes were not issued to any related parties and the commensurate number of Shares to be issued upon conversion are not proposed to be issued to any related parties without prior approval of the Company's Shareholders as required under the Listing Rules.

### **6.4 Dilutionary impact of Resolution 3**

The dilutionary impact of the securities that may be issued by the Company if Resolution 3 is approved is presented in section 3 of this Explanatory Statement

### **6.5 Impact of Shareholder approval**

The effect of Resolution 6 will be to refresh the Company's 15% annual placement capacity.

### **6.6 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 the Meeting Materials and has been previously disclosed to Shareholders.

## **6.7 Recommendation**

No members of the Board have any personal interests in the outcome of Resolution 3.

Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 3. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 3.

## **7. RESOLUTION 4 - CHANGE TO THE NATURE AND SCALE OF ACTIVITIES (EPAT ACQUISITION)**

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### **7.1 Introduction**

Subject to, and conditional on the passing of all of the Acquisition Resolutions, we are seeking Shareholder approval for Resolution 4 referred to in the accompanying Notice of Meeting for the purposes of changing the nature and scale of the Company's activities as a result of the acquisition of EPAT.

Shareholders should refer to the information in section 2 for information about the acquisition of EPAT and its impact on the Company. The completion of the Acquisition Agreement is conditional on the satisfaction of a number of conditions precedent including the requirement to obtain Shareholder Approval.

### **7.2 Legal Requirements**

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 to ASX full details of the proposed change as soon as practicable. Listing Rule 11.1.2 provides, that, if ASX requires, the entity must obtain the approval of Shareholders and must comply with any requirements of ASX in relation to the Notice of Meeting.

ASX has indicated to the Company that it has exercised its discretion to require the Company to seek the approval of Shareholders under Listing Rule 11.1.2 for a change in the nature of its activities. For this reason, the Company is seeking Shareholder approval for the Company to change the nature of its activities under Listing Rule 11.1.1.

As a consequence of the change to the Company's nature and scale of activities, it is required by the ASX to re-comply with the Chapters 1 and 2 of the ASX Listing Rules. Listing Rule 2.1 Condition 2 and Listing Rule 1.1 Condition 11 require that the offer price of securities, are a minimum of 20 cents. The Company has applied to the ASX for, and has received, a waiver from Listing Rule 2.1 Condition 2 and Listing Rule 1.1 Condition 11 to allow the Company to offer securities for not less than \$0.02 each.

### **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 4 other than what is set out in the Meeting Materials and has been previously disclosed to Shareholders.

### **7.4 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 4. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 4. The Chairman intends to vote undirected proxies in favour of Resolution 4.

Resolution 4 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 4, you should also vote in favour of all Acquisition Resolutions.

## 8. RESOLUTION 5 - DISPOSAL OF MINQUEST ASSETS

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### 8.1 Introduction

Subject to, and conditional upon, the passing of all Acquisition Resolutions, we are seeking Shareholder approval for Resolution 5 referred to in the accompanying Notice of Meeting for the purposes of disposing of the Company's Australian resource asset which at the date of the Notice of Meeting represent the main undertaking of the Company.

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT. A summary of the key terms of the EPAT Agreement is set out in section 2.9 of this Explanatory Statement.

It is a condition precedent under the EPAT Agreement that the Company divest its interests in its mineral exploration projects in Australia and Canada.

On 22 April 2016, the Company announced that it had terminated its interests in the earn in joint venture agreement in relation to the Marg Project.

On 18 July 2016, the Company announced that it had elected not to make the ownership payments that were due under the Fyre Lake Agreement on 14 July 2016. The Fyre Lake Agreement is therefore effectively at an end and the Company has no further rights or obligations under that agreement.

At the date of the Notice of Meeting, the Company has the following Project Interest:

- (a) The Coober Pedy Project comprises three exploration licenses in the Gawler Craton, South Australia. MinQuest has the ability to earn up to a 100% interest in the Coober Pedy Project. As at the date of the Notice of Meeting, MinQuest has not earned any direct ownership interest in the Coober Pedy Project. Under the Coober Pedy Agreement, MinQuest is required to meet the following milestones to earn up to 100% percent direct ownership interest in the Coober Pedy Project:

<b>Due date</b>	<b>Exploration expenditure Cash Australian dollars</b>
31 July 2018	\$3,000,000
<b>Total additional payments and expenditure to earn 70% interest</b>	<b>\$3,000,000</b>

As summarised above, the Company is required to incur significant exploration expenditure to earn a direct ownership interest in the Coober Pedy project which will require the Company to raise significant funding. Considering the continued uncertainty regarding the outlook for the mining and metals sector, and what is expected to remain a challenging financing environment for resource companies in the short term, there is no certainty that the Company would be successful in raising the required funding.

### 8.2 Legal Requirements

Listing Rule 11.2 provides that where a company proposes to make a significant change in the

nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders.

Resolution 5 seeks Shareholder approval for a change in the nature and scale of the activities of the Company pursuant to ASX Listing Rule 11.1.2.

A disposal by a listed entity of its main undertaking can also raise issues under Listing Rule 12.1 and 12.2, which oblige a listed entity to satisfy ASX on an ongoing basis that the level of its operations is sufficient, and its financial condition adequate, to warrant its continued listing and continued quotation of its securities. In this regard the Company refers to Resolution 4 which seeks Shareholder approval for a change in the nature and scale of the Company's activities through the proposed acquisition of EPAT. Resolutions 4 and 5 are each Acquisition Resolutions and will only become effective if all Acquisition Resolutions are passed by Shareholders.

### **8.3 Key Terms**

Resolution 5 seeks Shareholder approval for the Disposal of the MinQuest Assets by the Company notifying the counterparty to the relevant earn in joint venture agreement that the Company will not be exercising its option to incur further exploration expenditure as required by the Agreement as a condition precedent to the Company acquiring a direct ownership interest in the Coober Pedy Project.

The terms on which the Company may cease to exercise its options to make ownership payments and incur exploration expenditure pursuant to the earn in joint venture agreements are summarised below:

- (a) The Company will receive \$nil consideration from the proposed disposal of the Project Interest.
- (b) Under the terms of the Coober Pedy Agreement, the Company is required to ensure that the mineral tenements comprising the Coober Pedy Project remain in good standing for at least ninety days after termination of the agreement which the Company estimates will cost \$Nil.

### **8.4 Indicative Timetable**

Subject to passing of all of the Acquisition Resolutions, it is anticipated that the disposal of the Project Interests will occur:

- (a) For the Coober Pedy Project, on the earlier of 31 July 2018 (or any such other date as may be agreed between the parties to the Coober Pedy Agreement), being the earliest date on which the Company is required by the Coober Pedy agreement to make have incurred the required exploration expenditure to the Optionor as described above, or the date immediately following the completion of the Capital Raising.

### **8.5 Financial effect of the Disposal on the Company**

The impact on the net asset position of the company as reflected in the Statement of Financial Position presented as at 31 December 2015 is disclosed in the pro forma statement of financial position set out in Annexure A. As the Company will receive no consideration for the disposal of its interests in the earn in joint venture agreement, the capitalised exploration and evaluation expenditure will be reduced by \$3,804,286 to \$nil and a loss of \$3,804,286 will be recorded in the income statement. The impairment loss of \$3,804,286 will be reduced by the amount of any consideration that the Company may receive in relation to the disposal of the MinQuest Assets.



There will be no impact on the capital structure of the Company.

#### **8.6 Reasons for the Disposal**

The Directors believe that the advantages and disadvantages of the proposed disposal are the same as the advantages and disadvantages of the proposed acquisition of EPAT as described in section 2.17 and section 2.18 of this Explanatory Statement. Taking into consideration those advantages and disadvantages, the Directors consider the disposal of the MinQuest Assets is in the best interests of the Company.

#### **8.7 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 5 other than what is set out in the Meeting Materials and has been previously disclosed to Shareholders.

#### **8.8 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 5. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 5. The Chairman intends to vote undirected proxies in favour of Resolution 5.

Resolution 5 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 5, you should also vote in favour of all Acquisition Resolutions.

## **9. RESOLUTION 6 - CONSOLIDATION OF CAPITAL**

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### **9.1 Introduction**

Subject to, and conditional upon, the passing of all other Acquisition Resolutions, we are seeking Shareholder approval for Resolution 6 referred to in the accompanying Notice of Meeting that proposes that the issued capital of the Company be altered by consolidating the Existing Shares on a 7 for 4 basis, that is for every seven (7) Pre-Consolidation Shares held, Shareholders will receive four (4) Post-Consolidation Shares.

The Consolidation is required to ensure that the Company's capital structure is appropriate for it to be able to re-comply with the admission requirements of the Listing Rules. The Company has set the consolidation ratio so that the Capital Raising may be conducted at a minimum issue price of \$0.02 per Share. The Company has obtained a waiver from the ASX to condition 2 of ASX Listing Rule 2.1 which would have required that the new Shares to be offered must have a minimum issue price of \$0.20 per Share.

The Consolidation will not result in any change to the substantive rights and obligations of Existing Shareholders. The purpose of the Consolidation of the existing issued capital of the Company is to reduce the number of existing shares on issue, which is considered to be a more appropriate capital structure for the Company going forward, and to enable the Company to satisfy Chapters 1 and 2 of the Listing Rules and obtain re-quotation of the Shares on ASX. For example, a Shareholder currently holding 100,000 shares in the Company will as a result of the Consolidation hold 57,143 New Shares.

The Company's balance sheet and tax position will remain unaltered as a result of the Consolidation. However, the Company's issued capital shall be reduced as a result of the Consolidation as set out in section 9.6 below.

### **9.2 Section 254H of the Corporations Act**

Section 254H of the Corporations Act enables a Company to convert all of its ordinary securities into a smaller number of securities by a resolution passed at a general meeting. The conversion proposed by Resolution 6 is permitted under section 254H of the Corporations Act.

### **9.3 Treatment of fractions**

The Consolidation may result in a Shareholder receiving a fraction of a Share. Where this is the case, fractional entitlements will be rounded up to the nearest whole number of Shares.

If the Company reasonably believes a Shareholder has attempted to obtain an advantage from this treatment of fractions, the Company will take appropriate action having regard to the Constitution. In particular, the Company reserves the right to disregard the rounding up of any fraction of Shares to the nearest whole number of shares.

### **9.4 Tax implications for Shareholders**

Subject only to rounding, there will be no change to the proportionate interests held by each Shareholder as a result of the Consolidation, which will convert seven (7) Shares in the Company into four (4) Shares in the Company. No capital gains tax event will occur as a result of the Consolidation and thus it is not likely that any taxation implications will arise for Shareholders.

*The summary in this section is general in nature. In addition, particular taxation implications depend upon the circumstances of each Shareholder. Accordingly, Shareholders are encouraged to seek and*

*rely only on their own professional advice in relation to their tax position. Neither the Company, nor any of its officers, employees or advisors assumes any liability or responsibility for advising Shareholders about the taxation consequences for them from the proposed Consolidation.*

## **9.5 Holding Statements**

Following the Consolidation, all holding statements for Existing Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares (on a post-Consolidation basis).

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to Shareholders. It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

## **9.6 Effect on capital structure**

### **(a) Shares**

If the all of the Acquisition Resolutions, including the proposed Consolidation, are approved by Shareholders and the Company is able to raise at least \$4,000,000 under the Capital Raising, the number of Shares on issue will be reduced from 757,439,873 Shares to approximately 432,822,785 Shares. Shareholders should note that the Consolidation, if implemented, will also have an effect on the price per Share.

The Consolidation will have no material effect on the percentage interest of each individual Shareholder in the Company as the Consolidation applies equally to all of the Company's Shareholders. This means that individual Shareholdings will be reduced in the same ratio as the total number of the Company's Shares (subject only to the rounding up of fractional entitlements). For example, if the Share consolidation is approved and implemented, a Shareholder holding 7,324,399 Shares representing approximately 1% of the Company's issued Share capital will have approximately 4,185,371 Shares following the Consolidation, still representing approximately 1% of the Company's issued capital.

Correspondingly, if the Consolidation is approved and implemented, the collective value of each Shareholder's holding should not materially change (other than minor rounding changes) as a result of the Consolidation, assuming no other market impacts occur. However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue.

The table below sets out the effect on the Company's Share Capital if the Acquisition Resolutions are approved and the Consolidation is implemented.

Shares	Pre-Consolidation Shares		Post-Consolidation Shares	
	Minimum Raising \$4,000,000	Maximum Raising \$5,750,000	Minimum Raising \$4,000,000	Maximum Raising \$5,750,000
<b>Shares currently on issue</b>	<b>296,805,545</b>	<b>296,805,545</b>	<b>296,805,545</b>	<b>296,805,545</b>
<b>Resolution 1</b> - Shares to be issued on conversion of convertible notes	87,500,000	87,500,000	87,500,000	87,500,000
<b>Resolution 2</b> - Approval of options to be issued to holders of convertible notes	0	0	0	0
<b>Resolution 3</b> -Ratification of convertible notes issued to Magna Equities II LLC	0	0	0	0
<b>Acquisition Resolutions</b>	<b>384,305,545</b>	<b>384,305,545</b>	<b>384,305,545</b>	<b>384,305,545</b>
<b>Resolution 5</b> - Issue of Consideration Shares to ePAT Vendors	373,134,328	373,134,328	373,134,328	373,134,328
<b>Total Shares on issue before captial consolidation</b>	<b>757,439,873</b>	<b>757,439,873</b>	<b>757,439,873</b>	<b>757,439,873</b>
<b>Resolution 6</b> -Consolidation of Capital	(324,617,089)	(324,617,089)	(324,617,089)	(324,617,089)
<b>Total shares on issue after consolidation</b>	<b>432,822,785</b>	<b>432,822,785</b>	<b>432,822,785</b>	<b>432,822,785</b>
<b>Resolution 7</b> -Issue of Deferred Consideration Shares to vendors	N/a	N/a	50,000,000	50,000,000
<b>Resolution 8</b> -Approval to issue Shares for Capital Raising	N/a	N/a	200,000,000	287,500,000
<b>Resolutions 14 to 17</b> - issue of Director Shares	N/a	N/a	4,624,950	4,624,950
<b>Total Shares on issue following completion and recompliance</b>	<b>432,822,785</b>	<b>432,822,785</b>	<b>687,447,735</b>	<b>774,947,735</b>

**Notes:**

1. The above tables assume that no options are exercised. A summary of the terms of options on issue or to be issued is set out in Appendix B.
2. The post-Consolidation Shares on issue are approximate as fractional entitlements resulting from the Capital Consolidation will be rounded up, so the exact number of Shares will only be known after the Capital Consolidation.
3. It has been assumed that the Capital Raising Shares and Deferred Consideration shares will be issued at a price of \$0.02 being the minimum issue price for the Capital Raising but the actual price may vary.
4. It has been assumed that the Interim Raising Notes will be converted into Shares at a post-consolidation price of \$0.02.

**(b) Options**

As at the date of the Notice of Meeting, the Company has Options on issue. If the Consolidation is approved, the Options will also be reorganised in accordance with the terms and conditions of the Options and Listing Rule 7.22.1 (as applicable) on the basis that the number of Options will be consolidated in the same ratio as the Consolidation and the exercise price is amended in inverse proportion to that ratio. The Consolidation will not result in any change to the substantive rights and obligations of existing holders of Options.

The table below sets out the pre and post Consolidation number and exercise prices of Options:

Options	Pre-Consolidation		Post-Consolidation	
	Minimum Raising \$4,000,000	Maximum Raising \$5,750,000	Minimum Raising \$4,000,000	Maximum Raising \$5,750,000
Options currently on issue	88,436,522	88,436,522	88,436,522	88,436,522
Resolution 2- Approval of options to be issued to holders of convertible notes	87,500,000	87,500,000	87,500,000	87,500,000
<b>Total Options on issue before capital consolidation</b>	<b>175,936,522</b>	<b>175,936,522</b>	<b>175,936,522</b>	<b>175,936,522</b>
Resolution 6- Consolidation of Capital	(75,401,367)	(75,401,367)	(75,401,367)	(75,401,367)
<b>Total Options on issue after capital consolidation</b>	<b>100,535,155</b>	<b>100,535,155</b>	<b>100,535,155</b>	<b>100,535,155</b>
Resolution 10- Approval to issue Facilitation Options	N/a	N/a	45,000,000	45,000,000
<b>Total Options on issue following completion and recompliance</b>	<b>100,535,155</b>	<b>100,535,155</b>	<b>145,535,155</b>	<b>145,535,155</b>

The pre and post Consolidation Options are the same for both a \$4,000,000 Capital Raising and a \$5,750,000 Capital Raising,

### 9.7 Indicative Timetable for Capital Consolidation

If all other Acquisition Resolutions are approved, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A, paragraph 8, of the Listing Rules):

Event	Anticipated Date
Company notifies ASX that Shareholders have approved the Consolidation	31 August 2016
Trading would normally commence in the reorganised shares on a deferred settlement basis	2 September 2016
Last day for the Company to register transfers on a pre-Consolidation basis	5 September 2016
Securities registered on a post-Consolidation basis	6 September 2016
Dispatch of new holding statements for Consolidated Shares	12 September 2016

The above dates are indicative only and are subject to change.

### 9.8 No other material information

There is no other material information known to the Company's Directors which may be reasonably 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.

### 9.9 Recommendation

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 6. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 6. The Chairman intends to vote undirected proxies in favour of Resolution 6.

Resolution 6 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 6, you should also vote in favour of all Acquisition Resolutions.

## 10. RESOLUTION 7 – ISSUE OF CONSIDERATION SHARES TO EPAT VENDORS

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### 10.1 Introduction

Subject to, and conditional upon, the passing of the Acquisition Resolutions we are seeking Shareholder approval for Resolution 6 referred to in the accompanying Notice of Meeting for the purposes of issuing Consideration Shares to the EPAT Vendors.

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT.

A summary of the key terms of the EPAT Agreement is set out in section 2 of this Explanatory Statement.

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

- 213,219,616 fully paid ordinary shares in the Company (on a Post-Consolidation basis) (**Consideration Shares**); and
- In addition to the Consideration Shares, the EPAT Vendors shall be entitled to receive ordinary shares in MNQ to the value of \$1,000,000 if the Milestone is achieved (**Deferred Consideration Shares**). The Milestone will be achieved if any of the following occur:
  - (A) Regulatory Approval having been received to enable commercial use of the EPAT App in Australia, the United States of America or Europe within 12 months of the completion date of the transaction;  
  
“Regulatory Approval” means approval by the Therapeutic Goods Administration of Australia, Food and Drug Administration of the United States, or a CE mark from the relevant authority in Europe; or
  - (B) Within 12 months of the completion date, the Company executes a binding licence agreement to licence the EPAT App to:
    - (1) one or more residential aged care facilities facility owners managing in total in excess of 150 beds; or
    - (2) one or more medical clinics which service in total in excess of 2,000 patients per year; or
    - (3) a metropolitan hospital with in excess of 200 beds;  
  
(Each an End User) or
    - (4) a global distribution partner with multiple End Users as existing customers.

The issue price for the Deferred Consideration Shares will be the greater of \$0.01 per Share or the volume weighted average price of MNQ shares for the five trading days prior to the date on which MNQ satisfies the conditions for the issue of the Deferred Consideration Shares.

Resolution 7 seeks approval of the Consideration Shares and Resolution 8 seeks approval of the Deferred Consideration Shares.

## 10.2 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.

If Resolution 7 is passed it will permit the Directors to issue the Deferred Consideration Shares no later than 3 months after the date of the EGM (or such longer period as allowed by ASX) without impacting on the Company's placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

## 10.3 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>	213,219,616 post-Consolidation Shares.
<b>Date by which the Company will issue the securities</b>	<p>ASX Listing Rule 7.3.2 requires the Shares to be issued no later than three (3) months after the date of the EGM (or such later date 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.</p> <p>The Company may apply to ASX for a waiver of ASX Listing Rule 7.3.2 to permit it to issue the Shares on completion of the Acquisition. There is no guarantee that ASX will grant any such waiver request. However, if ASX grants the waiver, the Company will advise the market accordingly.</p>
<b>Issue price of the securities</b>	<p>The Shares will be issued for nil cash consideration as they are being issued as partial consideration for the acquisition of 100% of the issued capital of EPAT.</p> <p>Accordingly, no funds will be raised from the issue of the Shares.</p>
<b>Names of the persons to whom the Company will issue the securities</b>	The Shares will be issued to the EPAT Vendors in accordance with their respective interests as set out in section 2.11 of this Explanatory Statement.
<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 the funds raised</b>	The Company will not raise any funds from the issue of the Consideration Shares.
<b>Impact of the issue of the Consideration Shares on the</b>	The impact of the issue of the Consideration Shares on the Company's Capital is set out in section 3.1 of this

<b>Company's Capital</b>	Explanatory Statement.
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

#### **10.4 Restricted securities**

Subject to the re-quotations of the Company's Shares on the ASX, some or all of the Consideration Shares to be issued to the EPAT 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 the Consideration Shares are prohibited from being transferred, trading in the Company's securities may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

#### **10.5 Substantial Shareholders**

Section 2.11 of the Explanatory Statement sets out the relevant interest in the Company's Shares that will be obtained by the EPAT Vendors if the Acquisition Resolutions are approved and the EPAT Acquisition completes.

#### **10.6 No other material information**

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

#### **10.7 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 7. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 7. The Chairman intends to vote undirected proxies in favour of Resolution 7.

Resolution 7 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 7, you should also vote in favour of all Acquisition Resolutions.



## 11. RESOLUTION 8 – ISSUE OF DEFERRED CONSIDERATION SHARES TO EPAT VENDORS

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### 11.1 Introduction

Subject to, and conditional upon, the passing of the Acquisition Resolutions we are seeking Shareholder approval for Resolution 8 referred to in the accompanying Notice of Meeting for the purposes of issuing Deferred Consideration Shares to the EPAT Vendors.

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT.

A summary of the key terms of the EPAT Agreement is set out in section 2 of this Explanatory Statement.

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

- 213,219,616 fully paid ordinary shares in the Company (on a Post-Consolidation basis) (**Consideration Shares**); and
- In addition to the Consideration Shares, the EPAT Vendors shall be entitled to receive ordinary shares in MNQ to the value of \$1,000,000 if the Milestone is achieved (**Deferred Consideration Shares**). The Milestone will be achieved if any of the following occur:
  - (A) Regulatory Approval having been received to enable commercial use of the EPAT App in Australia, the United States of America or Europe within 12 months of the completion date of the transaction;  
  
“Regulatory Approval” means approval by the Therapeutic Goods Administration of Australia, Food and Drug Administration of the United States, or a CE mark from the relevant authority in Europe; or
  - (B) Within 12 months of the completion date, the Company executes a binding licence agreement to licence the EPAT App to:
    - (1) one or more residential aged care facilities facility owners managing in total in excess of 150 beds; or
    - (2) one or more medical clinics which service in total in excess of 2,000 patients per year; or
    - (3) a metropolitan hospital with in excess of 200 beds;  
  
(Each an End User) or
    - (4) a global distribution partner with multiple End Users as existing customers.

The issue price for the Deferred Consideration Shares will be the greater of \$0.01 per Share or the volume weighted average price of MNQ shares for the five trading days prior to the date on which MNQ satisfies the conditions for the issue of the Deferred Consideration Shares.

Resolution 8 seeks approval of the Deferred Consideration Shares and Resolution 7 seeks approval of the Consideration Shares.

## 11.2 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.

ASX Listing Rule 7.3 requires that shares approved for issue under Listing Rule 7.1, be issued within 3 months of the date of meeting at which approval is given. The Company has applied for, and the ASX has granted a waiver of ASX Listing Rule 7.3.2 to allow the Deferred Consideration Shares to be issued within 13 months of the date of the meeting. If Resolution 8 is passed it will permit the Directors to issue the Deferred Consideration Shares without impacting on the Company's placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

## 11.3 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:

<p><b>Maximum number of securities to be issued by the Company</b></p>	<p>That number of securities that when multiplied by the Issue Price is equal to \$1,000,000. The Issue Price is the volume weighted average price of the Company's shares for the five trading days prior to the date on which the Company satisfies the conditions for the issue of the Deferred Consideration Shares.</p> <p>In the twelve months prior to the date of the Notice of Meeting, the Company's Shares have traded in the range \$0.007 to \$0.045 per Share (\$0.012 to \$0.075 per Share on a post-Consolidation basis).</p> <p>The maximum number of Shares which may be issued as Deferred Consideration Shares is 100,000,000 as the lowest agreed issue price is \$0.01 per Share.</p>
<p><b>Date by which the Company will issue the securities</b></p>	<p>ASX Listing Rule 7.3.2 requires the Shares to be issued no later than three (3) months after the date of the EGM (or such later date permitted by any ASX waiver or modification of the ASX Listing Rules).</p> <p>It is intended that the issue will occur on achievement of the Milestone, which is to be assessed no later than 12 months after the effective date for the acquisition.</p> <p>The Company applied for, and the ASX has granted to the Company, a waiver of ASX Listing Rule 7.3.2 to permit the Company to issue the Deferred Consideration Shares up to 13 months after completion of the Acquisition.</p>
<p><b>Issue price of the securities</b></p>	<p>The Deferred Consideration Shares will be issued for nil cash consideration as they are being issued as partial consideration for the acquisition of 100% of the issued</p>

	capital of EPAT. Accordingly, no funds will be raised from the issue of the Deferred Consideration Shares.
<b>Names of the persons to whom the Company will issue the securities</b>	The Deferred Consideration Shares will be issued to the EPAT Vendors or their nominees 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>Use of the funds raised</b>	The Company will not raise any funds from the issue of the Deferred Consideration Shares.
<b>Impact of the issue of the Deferred Consideration Shares on the Company's Capital</b>	The impact of the issue of the Deferred Consideration Shares on the Company's Capital assuming an Issue Price of \$0.02 being the Capital Raising Price is set out in section 3.1 of this Explanatory Statement.  Section 11.4 below shows the potential dilutive impact of the issue of Deferred Consideration Shares assuming a range of different issue prices.
<b>Voting exclusion statement</b>	A voting exclusion statement is included in the Notice of Meeting.

#### 11.4 Potential dilutive impact of Deferred Consideration Shares

The table below shows the potential dilutive impact of the issue of Deferred Consideration Shares assuming a range of different issue prices. The issue prices in the table below are indicative only; the actual issue price for the Deferred Consideration Shares, and the consequential dilutive impact of the Deferred Consideration Shares, may vary from the assumed prices.

##### Minimum Capital Raising of \$4,000,000

	Share Price at 15 July 2016	Capital Raising Price	Highest price at which MNQ Shares have traded in past 12 months	Lowest price at which MNQ Shares have traded in past 12 months	Minimum Price at which Shares can be issued
Issue Price (post-Consolidation)	\$ 0.021	\$ 0.020	\$ 0.075	\$ 0.012	\$ 0.010
Number of Deferred Consideration Shares to be issued	47,619,048	50,000,000	13,289,037	81,632,653	100,000,000
% of undiluted equity	6.95%	7.27%	2.04%	11.35%	13.56%
% of fully diluted equity	5.77%	6.04%	1.68%	9.50%	11.39%

**Maximum Capital Raising of \$5,750,000**

	Share Price at 15 July 2016	Capital Raising Price	Highest price at which MNQ Shares have traded in past 12 months	Lowest price at which MNQ Shares have traded in past 12 months	Minimum Price at which Shares can be issued
Issue Price (post-Consolidation)	\$ 0.021	\$ 0.020	\$ 0.075	\$ 0.012	\$ 0.010
Number of Deferred Consideration Shares to be issued	47,619,048	50,000,000	13,289,037	81,632,653	100,000,000
% of undiluted equity	6.16%	6.45%	1.80%	10.12%	12.12%
% of fully diluted equity	5.22%	5.46%	1.51%	8.62%	10.36%

**Notes:**

1. *The above tables assume that all Resolutions are approved by Shareholders and that all Shares and Options the subject of those Resolutions are issued.*
2. *It is assumed that the Capital Consolidation is approved and implemented before the issue of the Deferred Consideration Shares.*
3. *The post-Consolidation Shares on issue are approximate as fractional entitlements resulting from the Capital Consolidation will be rounded up, so the exact number of Shares will only be known after the Capital Consolidation.*
4. *It has been assumed that the Deferred Consideration Shares will be issued at a price of \$0.02 being the minimum issue price for the Capital Raising but the actual price may vary.*
5. *It has been assumed that the Interim Raising Notes will be converted into Shares at a post-consolidation price of \$0.02.*
6. *For the purposes of determining fully diluted equity it is assumed that all Options are exercised.*

**11.5 Restricted securities**

Subject to the re-quotation of the Company's Shares on the ASX, some or all of the Deferred Consideration Shares to be issued to the EPAT Vendors may be classified by ASX as restricted securities pursuant to the ASX Listing Rules.

The Company expects that an undertaking will be required to be provided to ASX that the Deferred Consideration Shares will not be issued until an escrow agreement for the remainder of the escrow period for the Consideration Shares issued to the relevant EPAT Vendor is first provided to ASX.

During the period in which the Deferred Consideration Shares are prohibited from being transferred, trading in the Company's securities may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

**11.6 Substantial Shareholders**

Section 2.11 of the Explanatory Statement sets out the relevant interest in the Company's Shares that will be obtained by the EPAT Vendors if the Acquisition Resolutions are approved and the EPAT Acquisition completes.

**11.7 No other material information**

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

## **11.8 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 8. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 8. The Chairman intends to vote undirected proxies in favour of Resolution 8.

Resolution 8 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 8, you should also vote in favour of all Acquisition Resolutions.

## **12. RESOLUTION 9 – APPROVAL TO ISSUE SECURITIES FOR CAPITAL RAISING**

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### **12.1 Introduction**

Subject to, and conditional upon, the passing of all other Acquisition Resolutions, and in accordance with ASX Listing Rule 7.1, we are seeking Shareholder approval for Resolution 9 referred to in the accompanying Notice of Meeting for the purposes of issuing new securities to complete the Capital Raising.

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT.

A summary of the key terms of the EPAT Agreement is set out in section 2 of this Explanatory Statement.

It is a condition precedent under the Acquisition Agreement that the Company raise at least \$4,000,000 under the Capital Raising or any Equity Raising. If the Company is unable to raise this amount, then the Acquisition will not complete.

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 the ASX's admission requirements.

Taking into consideration the requirement of Condition 8 of Listing Rule 1.1 and Listing Rule 1.3 that require the Company to have Net Assets of at least \$3,000,000 to re-comply with the ASX's readmission requirements, and the planned use of funds raised as described in section 2.16 of the Explanatory Statement, the Company is seeking approval to raise a minimum of \$4,000,000 and a maximum of \$5,750,000 under the Capital Raising.

The Company intends to use the funds raised for the purposes described in section 2.14 of this Explanatory Statement.

### **12.2 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 August 2016.

If Resolution 9 is passed it will permit the Directors to complete the Capital Raising no later than 3 months after the date of the EGM (or such longer period as allowed by ASX) without impacting on the Company's placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

### **12.3 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>	287,500,000 post-Consolidation Shares being the maximum Capital Raising amount of \$5,750,000 at the minimum issue price of \$0.02 per Share (on a Post-Consolidation basis).
<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 EGM (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>	The greater of eighty per cent (80%) of the volume weighted average price of the Company's Shares in the last 5 days on which sales on the Company's Shares were recorded immediately prior to the issue of the Prospectus or \$0.02 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 the 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>(i) to fund the development and commercialisation of EPAT's Apps for the detection, assessment and monitoring of pain in patients who are unable to communicate;</li> <li>(ii) to meet corporate and administrative costs; and</li> <li>(iii) for working capital purposes.</li> </ul> <p>Further information on the proposed use of funds raised is provided in section 2.14 of this Explanatory Statement.</p>
<b>Impact of the Capital Raising on the Company's Capital</b>	The impact of the Capital Raising on the Company's Capital is set out in section 3.1 of this Explanatory Statement.
<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 Shareholder's decision making as to whether or not to vote in favour of Resolution 9 other than the information set out in these Meeting Materials and has been previously disclosed to Shareholders.

## **12.5 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 9. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 9. The Chairman intends to vote undirected proxies in favour of Resolution 9.

Resolution 9 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 9, you should also vote in favour of all Acquisition Resolutions.



## 13. RESOLUTION 10 – APPROVAL TO ISSUE FACILITATION OPTIONS

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### 13.1 Introduction

Subject to, and conditional upon, the passing of all other Acquisition Resolutions, and in accordance with ASX Listing Rule 7.1, we are seeking Shareholder approval for Resolution 10 referred to in the accompanying Notice of Meeting for the purposes of issuing up to 45,000,000 Facilitation Options to Patersons Securities Limited and / or its nominees (**Patersons**).

As outlined in section 2 of this Explanatory Statement, the Company has entered into the EPAT Agreement pursuant to which the Company will acquire 100% of the issued share capital of EPAT.

A summary of the key terms of the EPAT Agreement is set out in section 2 of this Explanatory Statement.

The Company has agreed to pay a facilitation fee to Patersons for facilitating the EPAT Acquisition and the Capital Raising. The Facilitation Fee is to be satisfied via the issue of Facilitation Options pursuant to Resolution 10. The actual number of Facilitation Options to be issued to the Facilitator will be determined by the Company taking into consideration the actual services that are provided by the Facilitator in relation to the Capital Raising and the funds that are received by the Company pursuant to the Capital Raising.

### 13.2 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.

If Resolution 10 is passed it will permit the Directors to issue the Facilitation Options, no later than 3 months after the date of the EGM (or such longer period as allowed by ASX) without impacting on the Company's placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

### 13.3 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:

Item	Information
<b>Number of Facilitation Options to be issued and Issue Price.</b>	If Resolution 10 is approved, up to 45,000,000 Facilitation Options will be issued.  The Facilitation Options will be issued for nil cash consideration.
<b>Terms on which the Facilitation Options may be converted into Shares.</b>	Each Facilitation Option may be converted into one fully paid ordinary Share in the Company at an exercise price equivalent one hundred and twenty five percent (125%) of the price at which Shares are issued under the Capital Raising.  The Facilitation Options will have a 3 year exercise term

	from the date on which they are issued.
<b>Issue date / date by which the entity will issue the securities.</b>	If Shareholders approve Resolution 10, the Facilitation Options will be issued within a three month period after the date of the EGM.
<b>Terms of the Facilitation Options</b>	The terms of the unlisted Facilitation Options are set out in Annexure E to this Explanatory Statement.
<b>Terms of Shares issued on exercise of the Facilitation Options</b>	The Facilitation Options shall be fully paid ordinary shares in the capital of the Company that shall rank equally in all respects with the Company's existing Shares on issue. For further details refer to Annexure E.
<b>Name of allottees or basis on which determined</b>	The Facilitation Options are to be issued to Patersons Securities Limited and / or their nominees.
<b>Use of funds</b>	The Facilitation Options are being issued for Nil consideration and as such no funds will be received by the Company on the issue of the Facilitation Options.

#### **13.4 Related party information**

Mr Adam Davey is an employee of Patersons Securities Limited, the Facilitator of the EPAT Acquisition and the Capital Raising. Patersons will receive a cash fee equivalent to 6% of the funds received by the Company pursuant to the Capital Raising and will receive up to 45,000,000 Facilitation Options on the terms set out in this Resolution 10.

#### **13.5 No other material information**

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

#### **13.6 Recommendation**

The Board, with Mr Davey abstaining, unanimously recommends that eligible Shareholders vote in favour of Resolution 10. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 10. The Chairman intends to vote undirected proxies in favour of Resolution 10.

## 14. RESOLUTION 11, 12 AND 13 – APPOINTMENT OF DIRECTORS

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### 14.1 Introduction

Subject to, and conditional upon, the passing of the Acquisition Resolution, we are seeking Shareholder approval for Resolutions 11, 12 and 13 referred to in the accompanying Notice of Meeting for the purposes of appointing new Directors (**New Directors**) to the board of the Company.

Consistent with the change in the nature and scale of the Company's activities described in section 2 of this Explanatory Statement and in satisfaction of one the conditions precedent for the Acquisition Agreement as described in section 2.9, upon completion of the EPAT Acquisition, Messrs Terranova, Read and Niardone will resign as Directors of the Company and Mr Read will step down as Managing Director. Mr Adam Davey will continue in office as a Non-Executive Director of the Company.

In accordance with the terms of the Share Sale Agreement, EPAT has proposed the following as Directors of the Company subject the EPAT Acquisition completing:

Mr John Murray	Non-Executive Chairman
Mr Ross Harricks	Non-Executive Director
Mr Philip Daffas	Managing Director

Information regarding the proposed Director remuneration if the EPAT Acquisition completes, and subject to receiving any required Shareholder approvals, is provided in Section 2.12 of this Explanatory Statement.

### 14.2 Biographies of proposed Directors

EPAT proposes to appoint the following as Directors of the Board.

- (a) It is proposed that Mr John Murray be appointed as Non-Executive Director and Non-Executive Chairman of the Board.

John has over 20 years' experience in private equity and venture capital, and was a co-founder and Managing Partner of Technology Venture Partners; one of the original and leading venture capital firms in Australia. John is a past chairman of the Australian Venture Capital Association. John has considerable experience as a director of high growth, technology-based companies. He possesses a broad understanding of global trends in technology and its impact on a variety of industries. He is currently Chairman of a private aged care business (IBIS Care Group) and a non-executive director of Maestrano (cloud software technology). John also brings 12 years' experience in executive roles in corporate banking (Bank America Vice President), accounting and IT services industries.

John has been on the Board of a number of successful technology rollouts and exits including online travel play Viator, which was acquired by TripAdvisor for approximately US\$200 million in 2014. He is a chartered accountant with an Honour degree in Law, and is a member of the Australian Institute of Company Directors.

- (b) It is proposed that Mr Ross Harricks be appointed as Non-Executive Director of the Board.

Ross has over 30 years experience in the healthcare industry working in Europe, USA, and Australia. He was a director of ResMed Limited prior to its USA listing, founder/CEO of AtCor Medical through to completion of its ASX listing, and a director of VentraCor Ltd. Prior to this he worked with Australia's Nucleus Group (Telectronics, Cochlear, Ausonics) in Australia and the USA.

Ross now works with Australian medical innovators developing and commercialising world-class medical and scientific technologies. He has been and continues to be adviser/mentor to many entrepreneurs in the healthcare sector.

Ross has a BEng from Auckland University and an MBA from the European Institute of Business Administration (INSEAD), France.

- (c) It is proposed that Mr Philip Daffas be appointed as Managing Director of the Board.

Please refer to section 2.5.1 for Mr Daffas' biography.

#### **14.3 The effect of approving the Resolutions**

Shareholders should note that Resolutions 11, 12 and 13 are not Acquisition Resolutions and the EPAT Acquisition may become effective if these resolutions are not approved by Shareholders.

#### **14.4 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolutions 11, 12 and 13. Each Director intends to vote all shares they own or control the right to vote in favour of Resolutions 11, 12 and 13. The Chairman intends to vote undirected proxies in favour of Resolutions 11,12 and 13.

## 15. RESOLUTION 14,15,16 AND 17 – APPROVAL TO ISSUE SHARES TO DIRECTORS

### 15.1 Introduction

To preserve the company's cash reserves until completion of the EPAT Acquisition, MNQ's directors are considering forgoing a portion of their cash remuneration in return for an equivalent value of the Company's Shares (**Director Shares**). These shares would be issued to the directors at a price which is equal to the Capital Raising Price.

It is proposed that the Directors may agree to forgo up to three months of their cash remuneration as follows:

<b>Director</b>	<b>Monthly Cash Remuneration (excluding superannuation) \$</b>	<b>Maximum revenue to be foregone (3 months) \$</b>	<b>Minimum issue price \$</b>	<b>Maximum number of Shares to be issued</b>
Mr Frank Terranova	\$5,000	\$15,000	\$0.02	750,000
Mr Jeremy Read	\$20,833	\$62,499	\$0.02	3,124,950
Mr Adam Davey	\$2,500	\$7,500	\$0.02	375,000
Mr Paul Niardone	\$2,500	\$7,500	\$0.02	375,000
	<b>\$30,833</b>	<b>\$92,499</b>	<b>\$0.02</b>	<b>4,624,950</b>

### 15.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Director Shares constitutes giving a financial benefit and Messrs Terranova, Read, Davey and Niardone (**Related Parties**) are related parties of the Company by virtue of being directors of the Company.

The current Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required for the issue of the Director Shares to the Related Parties, as the giving of the financial benefit is considered to be on arm's length terms for the following reasons:

- (a) The Director Shares will be issued in lieu of Directors remuneration that was negotiated on arm's length basis and that is consistent with remuneration that has been disclosed in the Company's Remuneration Report as included in the Annual Report.
- (b) The number of Director Shares to be issued is to be determined by reference to the price at which the Capital Raising under the Prospectus will be conducted.

### **15.3 ASX Listing Rule 10.11**

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

As noted in section 15.2 Messrs Terranova, Read, Davey and Niardone are directors of the Company. Accordingly, separate Shareholder approval is required for the issue of the Director Shares to Mr Read and Mr Davey.

The issue of Director Shares to the Related Parties is the subject of Resolutions 14 to 17 inclusive of this Notice of Meeting.

### **15.4 Technical Information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 14 to 17 inclusive:

- (a) the Director Shares will be issued to Mr Frank Terranova, Mr Jeremy Read, Mr Adam Davey and Mr Paul Niardone (or their respective nominees);
- (b) the maximum number of Director Shares to be issued is:
  - (i) up to 750,00 Director Shares to Mr Frank Terranova (or his nominee);
  - (ii) up to 3,124,950 Director Shares to Mr Jeremy Read (or his nominee);
  - (iii) up to 375,000 Director Shares to Mr Adam Davey (or his nominee); and
  - (iv) up to 375,000 Director Shares to Mr Paul Niardone (or his nominee).
- (c) the Director Shares will be issued to the Related Parties in accordance with their terms (as detailed in section 5.1 of this Explanatory Statement), and in any event no later than 1 month after the date of the Meeting;
- (d) the Director Shares will be issued for cash consideration equivalent to the cash remuneration forgone by the Related Parties;
- (e) by issuing the Director Shares the Company will retain cash funds that would have otherwise been provided to the Related Parties as cash remuneration; and
- (f) the Director 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.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Director Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Shares to the Related Parties (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

### **15.5 Potential dilutionary impact of Director Shares**

The dilutionary impact of the Director Shares that may be issued by the Company if Resolutions 14 to 17 inclusive are approved is presented in section 3 of this Explanatory Statement.

## **15.6 Director's Recommendation**

As each Director may obtain a benefit if the Director Shares are approved by shareholders, the Directors abstain from providing a voting recommendation in relation to Resolutions 14 to 17 inclusive.

## **16. RESOLUTION 18 – CHANGE OF COMPANY NAME TO EPAT TECHNOLOGIES LIMITED**

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### **16.1 Introduction**

Subject to, and conditional upon, the approval of the Acquisition Resolutions, we are seeking Shareholder approval for Resolution 18 referred to in the accompanying Notice of Meeting for the purposes of changing the name of the Company to EPAT Technologies Limited.

### **16.2 Background**

Consistent with the change in the nature and scale of the Company's activities, upon completion of the proposed transaction the Company proposes to change its name from "MinQuest Limited" to "EPAT Technologies Limited". This change will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

Shareholder approval is required for Resolution 18 by special resolution under section 157(1)(a) of the Corporations Act.

On or about the date of the completion of the proposed transaction, the Company will make an application to ASIC for a change of its name to EPAT Technologies Ltd. The new name will take effect upon a new certificate of registration being issued by ASIC. The Company will not change its name if completion of the proposed transaction does not occur.

### **16.3 Recommendation**

The Board unanimously recommends that eligible Shareholders vote in favour of Resolution 18. Each Director intends to vote all shares they own or control the right to vote in favour of Resolution 18. The Chairman intends to vote undirected proxies in favour of Resolution 18.

Resolution 18 is an Acquisition Resolution and will only become effective if all Acquisition Resolutions are passed. Accordingly, if you intend to vote in favour of Resolution 18, you should also vote in favour of all Acquisition Resolutions.



## 17. OTHER INFORMATION

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### 17.1 Scope of disclosure

The law requires that this Explanatory Statement sets out all other information that is reasonably required by the Existing Shareholders in order to decide whether or not it is in the Company's interests to pass the Resolutions and which is known to the Company.

The Company is not aware of any information that is material to the decision on how to vote on the Resolutions other than as is disclosed in this Explanatory Statement or previously disclosed to Existing Shareholders by the Company by notification to the ASX.

### 17.2 Voting intentions and interests of Existing Directors

The Existing Directors of the Company and their interests in the Company are set out in the table below. As at the date of this Explanatory Statement, the Existing Directors intend to vote in favour of the Resolutions set out in the Notice of Meeting.

Except as otherwise disclosed or referred to in this section 17.2 the Existing Directors have no interest in the outcome of the resolutions except as Shareholders of the Company (except for resolutions 14 to 17 pursuant to which the Existing Directors may receive up to 4,624,950 Shares in lieu of remuneration payable to them). In this regard, the table below sets out the details of the Shares held (directly or indirectly) by the Existing Directors and their Associates and the percentage ownership in the Existing Shares of the Company.

Name of existing Director	Number of Existing Shares held	Percentage interest in Existing Shares
Frank Terranova	Nil	Nil
Adam Davey	6,196,336	2.09%
Paul Niardone	13,687,903	4.61%
Jeremy Read	12,592,434	4.24%

Mr Adam Davey is an employee of Patersons Securities Limited which company is providing financial advisory services to the Company in relation to the EPAT Acquisition and the Capital Raising. Patersons will receive a cash fee equivalent to 6% of the funds received by the Company pursuant to the Capital Raising and will receive up to 45,000,000 Facilitation Options on the terms set out in Resolution 10.

### 17.3 Taxation

The EPAT Acquisition and /or the passing of the Resolutions (including the Consolidation) may give rise to income tax implications for the Company and Existing Shareholders.

Existing Shareholders are advised to seek independent taxation advice on the effect of the Resolutions on their personal position and neither the Company, nor any Existing Director or advisor to the Company accepts any responsibility for any individual Existing Shareholder's taxation consequences on any aspect of the EPAT Acquisition or the Resolutions.

### 17.4 Existing Directors' recommendations in respect of the Resolutions

The Existing Directors recommend that Shareholders vote in favour of the Resolutions for the reasons outlined in section 2 of the Explanatory Statement.

## 18. DEFINITIONS

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In this Explanatory Statement and the Notice of Meeting:

<b>\$</b>	Australian dollars.
<b>Acquisition Resolutions</b>	the interdependent resolutions which must all be approved to enable successful completion of the EPAT Acquisition in this notice being Resolutions 4 to 9 (inclusive) and Resolution 18
<b>Asset Disposal</b>	The disposal of the MinQuest Assets the subject of Resolution 5.
<b>ASX</b>	ASX Limited ACN 008 624 691.
<b>Board</b>	Board of directors of the Company.
<b>Capital Raising</b>	the capital raising the subject of Resolution 9.
<b>Company or MinQuest</b>	MinQuest Limited ACN 146 035 127.
<b>Consideration Shares</b>	373,134,328 pre Consolidation Shares to be issued to the EPAT Vendors on completion of the EPAT Acquisition as described in Resolution 7.
<b>Consolidation</b>	the proposed consolidation of Shares under resolution 6 at a ratio of 4 post-consolidation Shares for every 7 pre-Consolidation Shares and the adjustment of all Options on issue in accordance with Listing Rule 7.22.
<b>Constitution</b>	the constitution of the Company currently in force.
<b>Convertible Notes</b>	convertible notes created by the Company on the terms as set out in resolution 3 and issued by the Company.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Curtin University</b>	Curtin University of Technology, a body corporate established under the Curtin University of Technology Act 1966 (WA)
<b>Deferred Consideration Shares</b>	The post Consolidation Shares to be issued to the EPAT Vendors on the achievement of agreed performance hurdles as described in Resolution 8.
<b>Director Shares</b>	The post Consolidation Shares to be issued to the Existing Directors as described in Resolutions 14 to 17.
<b>EGM or Extraordinary General Meeting</b>	the general meeting of MinQuest's Shareholders convened in accordance with the Notice of Meeting to be held on 31 August 2016.
<b>End User</b>	Each of the following is an End User: <ol style="list-style-type: none"><li>(1) a residential aged care facilities facility owner with in excess of 150 beds; or</li><li>(2) a medical clinic which services in excess of 2,000 patients per year; or</li><li>(3) a metropolitan hospital with in excess of 200 beds</li></ol>

<b>EPAT</b>	the company Electronic Pain Assessment Technologies (EPAT) Pty Ltd ACN 600 520 134.
<b>EPAT Acquisition</b>	the acquisition of EPAT by MinQuest.
<b>EPAT App</b>	the electronic pain assessment tool being developed by EPAT as described in section 2 of the Explanatory Statement.
<b>EPAT Vendors</b>	The shareholders of EPAT.
<b>Explanatory Statement</b>	this Explanatory Statement that accompanies and forms part of the Notice of Meeting.
<b>Equity Securities</b>	Shares, options, convertible notes or other securities giving the holder the right to require MinQuest to issue shares to the holder.
<b>Existing Directors</b>	the Directors of the Company as at the date of this Explanatory Statement being Frank Terranova, Jeremy Read, Adam Davy and Paul Niardone.
<b>Facilitator or Patersons</b>	Paterson Securities Limited ACN 008 896 311
<b>Facilitation Options</b>	Options to be issued to parties advising the Company in relation to the EPAT Acquisition and the Capital Raising as described in resolution 10.
<b>Interim Raising Notes</b>	convertible notes created by the Company on the terms as set out in resolution 1 and issued by the Company and which can be converted into shares determined in accordance with the conversion terms described in section 4.2 of this Explanatory Statement.
<b>Issue Price</b>	The greater of: <ul style="list-style-type: none"> <li>• 80% of the volume weighted average price of Shares over the last five days' sales of Shares were recorded immediately prior to the date of the Prospectus: or</li> <li>• \$0.02.</li> </ul>
<b>Key Conditions</b>	the conditions in Section 1.3 of the Overview of EPAT Acquisition Section of the Explanatory Statement.
<b>Listing Rules</b>	the Official Listing Rules of ASX.
<b>Magna or Magna Equities II LLC</b>	Magna Equities II LLC a company incorporated in the United States of America.
<b>Meeting Materials</b>	The Notice of Meeting together with the Explanatory Statement, Annexures, Schedules and Proxy Form.
<b>Milestone</b>	The Milestone is required to be achieved for the Deferred Consideration Shares to be issued. The Milestone will be achieved if any of the following occur: <ul style="list-style-type: none"> <li>(A) Regulatory Approval having been received to enable commercial use of the EPAT App in Australia, the United</li> </ul>

	States of America or Europe within 12 months of the completion date of the transaction;
	“Regulatory Approval” means approval by the Therapeutic Goods Administration of Australia, Food and Drug Administration of the United States, or a CE mark from the relevant authority in Europe; or
	(B) Within 12 months of the completion date, the Company executes a binding licence agreement to licence the EPAT App to:
	(1) one or more residential aged care facilities facility owners managing in total in excess of 150 beds; or
	(2) one or more medical clinics which service in total in excess of 2,000 patients per year; or
	(3) a metropolitan hospital with in excess of 200 beds;
	(Each an End User) or
	(4) a global distribution partner with multiple End Users as existing customers.
<b>MinQuest Assets</b>	the Company’s interests in the Coober Pedy earn in joint venture agreements a described in section 8 of this Explanatory Statement.
<b>Note Options</b>	Options created by the Company on the terms as set out in resolution 2 and, subject to Shareholder approval, to be issued by the Company and can be converted into shares determined in accordance with terms described in section 5.2 of this Explanatory Statement.
<b>Notice of Meeting or NOM</b>	the notice of extraordinary general meeting dated 25 July which this Explanatory Statement accompanies.
<b>Options</b>	Options to acquire Shares
<b>Post Consolidation Shares</b>	Shares after the consolidation of Capital the subject of Resolution 6.
<b>Pre Consolidation Shares</b>	Shares before the consolidation of Capital the subject of Resolution 6.
<b>Post Transaction Board</b>	The proposed Board on completion of the EPAT Acquisition being John Murray, Ross Harricks, Adam Davey and Philip Daffas.
<b>Prospectus</b>	the prospectus to be issued by the Company in relation to the Capital Raising.
<b>Shareholder</b>	a holder of Shares.
<b>Shares or Ordinary Shares</b>	fully paid ordinary shares of MinQuest.

**Vendor Shares**

the Consideration Shares and Deferred Consideration Shares proposed to be issued by the Company to the Vendors of EPAT in consideration for selling EPAT to the Company.

**EPAT Vendors**

the persons or entities selling all of their interests in EPAT.

# Annexures

## **ANNEXURE A      PRO FORMA STATEMENT OF FINANCIAL POSITION**

This Annexure A contains the Pro Forma Statement of Financial Position for the Company reflecting the combined business of the Company and EPAT. The Pro Forma Statement of Financial Position is presented to provide Shareholders with an indication of the combined Company's financial position as if the EPAT Acquisition were effective as at 31 December 2015.

As the EPAT Acquisition, if implemented, will be effective at a future date, the actual financial position of the combined entities will differ from that presented below.

References to notes in the table presented below refer to the notes to the pro forma adjustments set out in the table below.

### **Basis of preparation**

The Pro Forma Statement of Financial Position is provided for illustrative purposes only and is prepared in accordance with recognition and measurement requirements of applicable Australian Accounting Standards on the assumption that the EPAT Acquisition was completed on 31 December 2015.

The Pro Forma Statement of Financial Position is not intended to, and does not, include all the statements, notes, disclosures or comparative information of the type normally included in an annual financial report prepared in accordance with the requirements of the Corporations Act. It is therefore recommended that the Pro Forma Statement of Financial Position be read in conjunction with, the Company's financial report for the half-year ended 31 December 2015 which was lodged with the ASX on 15 March 2016 and the annual financial report of the Company for the year ended 30 June 2015, together with any public announcements made during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. Shareholders should also consider the audited financial statements of EPAT for the half-year ended 31 December 2015 which are presented in Annexure B.

The Company is the legal acquirer (i.e. the parent company) and will be the reporting entity for the post transaction Group. It has been assessed on a preliminary basis that the acquirer for accounting purposes will be EPAT and that at the time the acquisition becomes effective that the acquiree (the Company) will not be classified as a business for the purposes of Australian Accounting Standards. Accordingly, the transaction is being reflected in the Statement of Financial Position as an asset acquisition by EPAT.

The accounting policies of the post transaction Group used in the compilation of the Pro Forma Statement of Financial Position are based on those adopted by the Company in the preparation of its financial report for the half year ended 31 December 2015. Upon completion of the EPAT Acquisition, EPAT will become the accounting parent and as such the post-transaction accounting policies for the Group will be the accounting policies adopted by EPAT.

No adjustments have been made in the Pro Forma Statement of Financial Position for the following items:

- (b) Any expected synergies or integration costs following the completion of the EPAT Acquisition.
- (c) Any one off or non-recurring items, other than those set out in the pro forma adjustments.
- (d) The deferred consideration relating to the Deferred Consideration Shares.

## A.1 Combined Pro Forma Statement of Financial Position As At 31 December 2015

The Pro Forma Financial Information set out below has been prepared to illustrate the financial position of the Company following completion of the EPAT Acquisition and the expenditure of funds associated with the Acquisition and associated Capital Raisings as if such events had occurred as at 31 December 2015. The Pro Forma Financial Information is intended to be illustrative only and will not reflect the actual position and balances as at the date of this Notice of Meeting or at the Completion of the EPAT Acquisition.

	Notes	MinQuest Reviewed as at 31 December 2015	EPAT audited as at 31 December 2015	Subsequent Events	Proforma Adjustments Minimum	Proforma Adjustments Maximum	Proforma Minimum	Proforma Maximum
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	A.5	\$ 44,527	\$ 90,063	\$ 363,879	\$ 3,660,000	\$ 5,305,000	\$ 4,158,469	\$ 5,803,469
Trade and other receivables	A.6	\$ 25,643	\$ 63,576	\$ -	\$ -	\$ -	\$ 89,219	\$ 89,219
Other current assets	A.7	\$ 61,076	\$ -	\$ (9,893)	\$ -	\$ -	\$ 51,183	\$ 51,183
<b>TOTAL CURRENT ASSETS</b>		<b>\$ 131,246</b>	<b>\$ 153,639</b>	<b>\$ 353,986</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 4,298,871</b>	<b>\$ 5,943,871</b>
<b>NON-CURRENT ASSETS</b>								
Property, plant and equipment	A.8	\$ 53,392	\$ -	\$ (53,392)	\$ -	\$ -	\$ -	\$ -
Exploration and evaluation expenditure	A.9	\$ 3,036,594	\$ -	\$ (3,036,594)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL NON-CURRENT ASSETS</b>		<b>\$ 3,089,986</b>	<b>\$ -</b>	<b>\$ (3,089,986)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ASSETS</b>		<b>\$ 3,221,232</b>	<b>\$ 153,639</b>	<b>\$ (2,736,000)</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 4,298,871</b>	<b>\$ 5,943,871</b>
<b>CURRENT LIABILITIES</b>								
Trade and other payables	A.10	\$ 340,547	\$ 6,707	\$ (221,557)	\$ -	\$ -	\$ 125,697	\$ 125,697
Borrowings	A.11	\$ 242,610	\$ -	\$ (242,610)	\$ -	\$ -	\$ -	\$ -
Financial liabilities at fair value	A.12	\$ 64,815	\$ -	\$ (64,815)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL CURRENT LIABILITIES</b>		<b>\$ 647,972</b>	<b>\$ 6,707</b>	<b>\$ (528,982)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,697</b>	<b>\$ 125,697</b>
<b>TOTAL LIABILITIES</b>		<b>\$ 647,972</b>	<b>\$ 6,707</b>	<b>\$ (528,982)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,697</b>	<b>\$ 125,697</b>
<b>NET ASSETS</b>		<b>\$ 2,573,260</b>	<b>\$ 146,932</b>	<b>\$ (2,207,018)</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 4,173,174</b>	<b>\$ 5,818,174</b>
<b>EQUITY</b>								
Issued capital	A.13	\$ 7,714,812	\$ 357,143	\$ (3,326,463)	\$ 3,660,000	\$ 5,305,000	\$ 8,405,492	\$ 10,050,492
Accumulated losses	A.14	\$ (5,167,663)	\$ (210,211)	\$ 1,145,556	\$ -	\$ -	\$ (4,232,318)	\$ (4,232,318)
Reserves	A.15	\$ 26,111	\$ -	\$ (26,111)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EQUITY</b>		<b>\$ 2,573,260</b>	<b>\$ 146,932</b>	<b>\$ (2,207,018)</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 4,173,174</b>	<b>\$ 5,818,174</b>

### Notes:

1. Legally, the Company is the acquirer in the EPAT Acquisition, however for the purposes of Australian Accounting Standards, EPAT is considered to be the acquirer. It is considered that at the time the EPAT Acquisition becomes effective, that for the purposes of Australian Accounting Standards, the Company will not be considered to be a business and as such for accounting purposes the EPAT Acquisition is considered to be an asset acquisition by EPAT.
2. For the purposes of Australian Accounting Standards, it is considered that EPAT has notionally issued shares in EPAT for a value equivalent to the fair value of the Company's Shares on issue at the time of the acquisition being 205,317,455 Post Consolidation Shares at the minimum Capital Raising price of \$0.02 per Share. The actual valuation will be determined based on information available at the actual time of settlement and may vary from the information presented in the Pro Forma Statement of Financial Position.
3. The difference between the fair value of the net assets of the Company at the time the EPAT Acquisition becomes effective and the deemed consideration paid by EPAT for those net assets is considered to be a share based payment by EPAT which represents the cost to EPAT of acquiring the Company's ASX Listing and is required by Australian Accounting Standards to be expensed. Refer A.2 for the indicative Statement of Financial Position of the Company at the date the EPAT Acquisition becomes effective. Refer Note 2 above for information in relation to the deemed consideration paid by EPAT pursuant to the EPAT Acquisition.
4. Further information in relation to the Subsequent Events and the Pro Forma Adjustments is provided in A.2



## A.2 Subsequent Events and Pro Forma Adjustments

	Subsequent Events						Pro Forma Adjustments			
	Repayment of Magna Convertible Notes (Note 1)	Disposal of MinQuest Assets (Note 2)	Interim Capital Raising net of transaction costs (Note 3)	Transaction costs incurred by Company prior to completion (Note 4)	Consolidation of EPAT and MNQ (Note 6)	Total Subsequent Events	Completion of \$4,000,000 Capital Raising (Note 5)	Pro Forma Adjustments Minimum	Incremental increase to maximum Capital Raising of \$5,750,000 (Note 7)	Pro Forma Adjustments Maximum
<b>CURRENT ASSETS</b>										
Cash and cash equivalents	\$ (279,371)		\$ 987,000	\$ (343,750)		\$ 363,879	\$ 3,660,000	\$ 3,660,000	\$ 5,305,000	\$ 5,305,000
Trade and other receivables						\$ -	\$ -	\$ -	\$ -	\$ -
Other current assets	\$ (9,893)					\$ (9,893)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL CURRENT ASSETS</b>	<b>\$ (289,264)</b>	<b>\$ -</b>	<b>\$ 987,000</b>	<b>\$ (343,750)</b>	<b>\$ -</b>	<b>\$ 353,986</b>	<b>\$ 3,660,000</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 5,305,000</b>
<b>NON-CURRENT ASSETS</b>										
Property, plant and equipment		\$ (53,392)				\$ (53,392)	\$ -	\$ -	\$ -	\$ -
Exploration and evaluation assets		\$ (3,036,594)				\$ (3,036,594)	\$ -	\$ -	\$ -	\$ -
Intangible assets						\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL NON-CURRENT ASSETS</b>	<b>\$ -</b>	<b>\$ (3,089,986)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,089,986)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ASSETS</b>	<b>\$ (289,264)</b>	<b>\$ (3,089,986)</b>	<b>\$ 987,000</b>	<b>\$ (343,750)</b>	<b>\$ -</b>	<b>\$ (2,736,000)</b>	<b>\$ 3,660,000</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 5,305,000</b>
<b>CURRENT LIABILITIES</b>										
Trade and other payables		\$ (221,557)				\$ (221,557)	\$ -	\$ -	\$ -	\$ -
Borrowings	\$ (242,610)		\$ -			\$ (242,610)	\$ -	\$ -	\$ -	\$ -
Financial liabilities at fair value	\$ (64,815)					\$ (64,815)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ (307,425)</b>	<b>\$ (221,557)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (528,982)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL LIABILITIES</b>	<b>\$ (307,425)</b>	<b>\$ (221,557)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (528,982)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET ASSETS</b>	<b>\$ 18,161</b>	<b>\$ (2,868,429)</b>	<b>\$ 987,000</b>	<b>\$ (343,750)</b>	<b>\$ -</b>	<b>\$ (2,207,018)</b>	<b>\$ 3,660,000</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 5,305,000</b>
<b>EQUITY</b>										
Issued capital	\$ 428,187		\$ 987,000		\$ (4,741,650)	\$ (3,326,463)	\$ 3,660,000	\$ 5,305,000	\$ 5,305,000	\$ 5,305,000
Accumulated losses	\$ (410,026)	\$ (2,868,429)	\$ -	\$ (343,750)	\$ 4,767,761	\$ 1,145,556	\$ -	\$ -	\$ -	\$ -
Reserves					\$ (26,111)	\$ (26,111)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EQUITY</b>	<b>\$ 18,161</b>	<b>\$ (2,868,429)</b>	<b>\$ 987,000</b>	<b>\$ (343,750)</b>	<b>\$ 0</b>	<b>\$ (2,207,018)</b>	<b>\$ 3,660,000</b>	<b>\$ 3,660,000</b>	<b>\$ 5,305,000</b>	<b>\$ 5,305,000</b>

### Notes:

1. The outstanding balance of the Magna Convertible Notes was fully repaid in cash on 3 May 2016.
2. It is a condition precedent of the EPAT Acquisition that the Company dispose of its Project Interests. It is assumed that the Company will realise \$nil consideration for the disposal of those Interests. Accordingly, the Company's capitalised exploration and evaluation expenditure will be required to written off in full.
3. Represents the issue of 1,050,000 Interim Raising Notes by the Company on 22 April 2016 and 19 July 2016. Refer Resolution 1.
4. It is anticipated that the Company will utilise the funds raised from the issue of the Interim Raising Notes (refer Note 3) to pay for the repayment of the Magna Notes (refer Note 1) and to fund transaction costs including professional fees and ASX Listing Fees and the Company's corporate costs.
5. Assumes that the Company achieves the Minimum Capital Raising amount of \$4,000,000 at the minimum issue price of \$0.02 per Share. Equity raising costs have been assumed to be \$340,000 (refer also Note 4).
6. On consolidation it is assumed that the Interim Raising Notes will be converted to equity.
7. Assumes that the Company achieves the Maximum Capital Raising amount of \$4,000,000 at the minimum issue price of \$0.02 per Share. Equity raising costs have been assumed to be \$445,000 (refer also Note 4).
8. On consolidation it is assumed that the Interim Raising Notes will be converted to equity.

## ANNEXURE B TERMS OF INTERIM RAISING NOTES

Item	Information
Issuer	MinQuest Limited ACN 146 035 127 (Issuer)
Securities offered	Convertible notes are convertible into fully paid ordinary shares of the Issuer, listed on the ASX and ranking equally with all other fully paid ordinary shares on issue by the Issuer.
Currency	AUD
Total issue Size	A total of 1,050,000 Convertible Notes comprising: <ol style="list-style-type: none"> <li>a. 750,000 Convertible Notes issued on 22 April 2016</li> <li>b. 300,000 Convertible Notes issued on 18 July 2016</li> </ol>
Expiry Date	31 December 2016
Issue Price	Face value of \$1 per Convertible Note to raise a total of \$1,050,000
Conversion Rights	<p>Subject to Shareholder approval, the Interim Raising Notes are convertible to fully paid ordinary shares in the Company subject to shareholder approval as follows:</p> <ol style="list-style-type: none"> <li>a. if the acquisition of EPAT completes, the Notes will convert to Shares at the lower of 1.2 cents (on a pre-Consolidation basis) or the price at which shares are issued pursuant to the capital raising proposed to be conducted as a condition precedent of the acquisition of EPAT; or</li> <li>b. if the acquisition of EPAT does not complete by 30 September 2016, the Notes will convert to Shares at 80% of the 15 day VWAP of the Shares:           <ol style="list-style-type: none"> <li>i. between 30 September 2016 and 31 December 2016 at the election of the Noteholder; and</li> <li>ii. otherwise on 31 December 2016;</li> </ol> </li> <li>c. if shareholders do not approve the conversion of the Notes, the Company will redeem the Notes in cash on 31 December 2016 at a 30% premium to their face value.</li> </ol>
Note Options	The Company will be required to issue 87,500,000 Note Options at an exercise price equal to the Capital Raising price.
Terms of Options	<ul style="list-style-type: none"> <li>• Issue Price: Nil.</li> <li>• Exercise Price: The Capital Raising price</li> <li>• Expiry Date: 11 August 2018.</li> </ul> <p>Terms: On payment of the Exercise Price before the Expiry Date, each Option may be exercisable into one Share and as otherwise set out in <b>Schedule 3</b>.</p>
Transferability	The Convertible Notes are freely transferable

Item	Information
Governing Law	Queensland, Australia
Listing	The Convertible Notes will not be listed.

## **ANNEXURE C                      TERMS OF NOTE OPTIONS**

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

- (a) Each Option gives the Option holder the right to subscribe for one Share.
- (b) The Options will expire at 5.00 pm (AEST) on 27 April 2017 (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be equal to the price at which Shares are issued pursuant to the Capital Raising (Exercise Price).
- (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, a minimum of 1,000 Options must be exercised on each occasion.
- (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;  
(Exercise Notice).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by payment of the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are freely transferrable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank *pari passu* in all respects with other Shares.
- (j) The Options will not be listed.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and the Option holders will not be entitled to participate in new issues of capital offered to Shareholders without exercising the Option. The Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) Subject to paragraph (l), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

## ANNEXURE D

## TERMS OF CONVERTIBLE NOTES

Item	Information														
<b>Issuer</b>	MinQuest Limited ACN 146 035 127 ( <b>Issuer</b> )														
<b>Securities offered</b>	Convertible notes are convertible into fully paid ordinary shares of the Issuer, listed on the ASX and ranking equally with all other fully paid ordinary shares on issue by the Issuer.														
<b>Currency</b>	USD														
<b>Total issue Size</b>	<p>The Company drew down Convertible Notes with a face value of US\$529,000 under the facility comprise as follows:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Face Vale USD</th> </tr> </thead> <tbody> <tr> <td>11 August 2015</td> <td>189,000</td> </tr> <tr> <td>30 November 2015</td> <td>69,000</td> </tr> <tr> <td>22 December 2015</td> <td>69,000</td> </tr> <tr> <td>22 January 2016*</td> <td>69,000</td> </tr> <tr> <td>18 February 2016*</td> <td>69,000</td> </tr> <tr> <td>18 March 2016*</td> <td>69,000</td> </tr> </tbody> </table> <p>* These tranches totalling USD207,000 are the tranches for which Shareholder approval is being sought pursuant to Resolution 3</p>	Date	Face Vale USD	11 August 2015	189,000	30 November 2015	69,000	22 December 2015	69,000	22 January 2016*	69,000	18 February 2016*	69,000	18 March 2016*	69,000
Date	Face Vale USD														
11 August 2015	189,000														
30 November 2015	69,000														
22 December 2015	69,000														
22 January 2016*	69,000														
18 February 2016*	69,000														
18 March 2016*	69,000														
<b>Expiry Date</b>	Twelve months from the date of drawdown of the individual convertible note.														
<b>Issue Price</b>	Proceeds received are 85% of the face value of the Convertible Notes issued.														
<b>Conversion Rights</b>	The Convertible Notes may be converted into MNQ shares by Magna at any time during the term at the lower of (a) a 15% discount to the lowest VWAP of the Company's shares in the 5 trading days prior to the date of the conversion notice or (b) \$0.05 per share.														
<b>Transferability</b>	The Convertible Notes are not freely transferable														
<b>Governing Law</b>	Queensland, Australia														
<b>Listing</b>	The Convertible Notes will not be listed.														

## ANNEXURE E

## TERMS OF FACILITATION OPTIONS

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

- (a) Each Option gives the Option holder the right to subscribe for one Share.
- (b) The Options will expire at 5.00 pm (AEST) on the date that is three years after their issue date (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be equal one hundred and twenty five percent (125%) of the price at which Shares are issued pursuant to the Capital Raising (Exercise Price).
- (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, a minimum of 1,000 Options must be exercised on each occasion.
- (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
  - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;Exercise Notice).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by payment of the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are freely transferrable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank *pari passu* in all respects with other Shares.
- (j) The Options will not be listed.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and the Option holders will not be entitled to participate in new issues of capital offered to Shareholders without exercising the Option. The Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) Subject to paragraph (l), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

## ANNEXURE F      PROPOSED TERMS OF NEW DIRECTOR EQUITY COMPENSATION

It is noted in section 2.12 of the Explanatory Statement that the Company has been advised by the proposed Post-Transaction Board that it is intended to seek Shareholder approval to grant equity based remuneration on the terms set out below to the Post-Transaction Board at the first general meeting of Shareholders to be held following the completion of the EPAT Acquisition.

- (a) **It is proposed that the each of** the Directors will receive a number options determined as a percentage of the fully diluted equity securities of the Company immediately following completion of the EPAT Acquisition and the relisting of the Company’s Shares on the ASX. Assuming completion of a \$5,750,000 capital raising, the number of options proposed to be granted to each Director is set out below (subject to Shareholder approval):

Position	Fully diluted equity securities at completion of Acquisition (refer section 2.11)	% of fully diluted equity securities to be granted	Number of options to be granted
Non- Executive Chairman	920,482,890	3%	27,614,486
Non-Executive Director	920,482,890	1.5%	13,807,243
Managing Director	920,482,890	5%	46,024,144

- (b) The exercise price of the options is to be equivalent to the price at which Shares are issued pursuant to the Capital Raising.
- (c) The expiry date of each option shall be 3 years from the date of issue.
- (d) The options are to vest as follows:
- i. One third after one year of service.
  - ii. One third after the Company makes an announcement that Regulatory Approval to enable commercial use of the EPAT App in Australia, the United States or Europe is received, or the Company has announced the execution of a binding licence agreement to licence the EPAT App to:
    - (1) one or more residential aged care facilities facility owners managing in total in excess of 150 beds; or
    - (2) one or more medical clinics which service in total in excess of 2,000 patients per year; or
    - (3) a metropolitan hospital with in excess of 200 beds; (each an “End User”); or
    - (4) a global distribution partner with multiple End Users as existing customers.

- iii. One third upon the Company generating cumulative revenue of \$1,000,000.
- iv. In the event of a Director being terminated other than with cause or due to the Director's resignation:
  - If termination occurs within one year of the date on which the Company's Shares relist on the ASX. the total of vested options is to be adjusted to equal one third of the total number of options to be issued
  - If termination occurs between one and two years from the date on which the Company's Shares relist on the ASX. the total of vested options is to be adjusted to equal two thirds of the total number of options to be issued.
  - If termination occurs after two years from the date on which the Company's Shares relist on the ASX. the total of vested options is to be adjusted to equal the total number of options to be issued.





<<NameAddress1>>  
<<NameAddress2>>  
<<NameAddress3>>  
<<NameAddress4>>  
<<NameAddress5>>  
<<NameAddress6>>

#### All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am WST on Monday, 29 August 2016.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT [www.votingonline.com.au/minquestegm2016](http://www.votingonline.com.au/minquestegm2016)
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3: Enter your Voting Access Code (VAC):

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.  
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. 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 security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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 your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am on Monday 29 August 2016**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** [www.votingonline.com.au/minquestagm2016](http://www.votingonline.com.au/minquestagm2016)
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

<<NameAddress1>>  
 <<NameAddress2>>  
 <<NameAddress3>>  
 <<NameAddress4>>  
 <<NameAddress5>>  
 <<NameAddress6>>

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **MinQuest Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair 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 below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the **Extraordinary General Meeting of MinQuest Limited to be held at The Celtic Club, 48 Ord Street, West Perth WA 6872 on Wednesday, 31 August 2016 at 10:00am WST** and at any adjournment of that meeting, to act 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.

**The Chair of the Meeting will vote all undirected proxies in favour of all Items of business.** If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*		For	Against	Abstain*	
<b>Res 1</b>	Approval of equity conversion terms of Convertible Notes issued to Sophisticated investors (Interim Raising Note)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 10</b>	Approval to issue Facilitation Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 2</b>	Approval to issue options to sophisticated investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 11</b>	Appointment of Mr John Murray as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 3</b>	Ratification of prior issue of Convertible notes to Magna Equities II LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 12</b>	Appointment of Mr Ross Harricks as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 4</b>	Change to the Nature and Scale of Activities (EPAT Acquisition)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 13</b>	Appointment of Mr Philip Daffas as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 5</b>	Disposal of MinQuest Assets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 14</b>	Approval to issue shares to Mr Frank Terranova	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 6</b>	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 15</b>	Approval to issue shares to Mr Adam Davey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 7</b>	Issue of Consideration shares to vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 16</b>	Approval to issue shares to Mr Paul Niardone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 8</b>	Issue of Deferred Consideration shares to vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 17</b>	Approval to issue shares to Mr Jeremy Read	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 9</b>	Approval to issue securities for Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 18</b>	Change of Company name to EPAT Technologies Ltd ( <b>Special Resolution</b> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SHAREHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3




Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2016