
VOYAGER GLOBAL GROUP LTD

(TO BE RENAMED CYCLIQ GROUP LIMITED)

ACN 119 749 647

NOTICE OF GENERAL MEETING

TIME: 10.00am (WST)

DATE: 9 September 2016

PLACE: Suite 6, 295 Rokeby Road
SUBIACO, WA, AUSTRALIA, 6008

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6555 2950.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10.00am (WST) on 9 September 2016 at:

Suite 6, 295 Rokeby Road
SUBIACO WA AUSTRALIA 6008

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 7 September 2016.

Voting in person

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

Voting by proxy

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

In accordance with section 249L of the Corporations Act, 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 member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that 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 will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are 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 (ie 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 (ie 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 (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

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

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 - CHANGE TO NATURE AND SCALE OF ACTIVITIES – ACQUISITION OF CYCLIQ

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 the Essential Resolutions, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in 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.

2. RESOLUTION 2 – CREATION OF A NEW CLASS OF SECURITIES – PERFORMANCE SHARES

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

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of section 246B of the Corporations Act, clause 3.2 of the Company's Constitution, and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Statement."

3. RESOLUTION 3 – ISSUE OF CONSIDERATION SECURITIES

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 the Essential 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 CYCLIQ Shareholders:

- (a) 220,000,000 Consideration Shares on the terms and conditions set out in the Explanatory Statement; and*
- (b) 10,000,000 Performance Shares 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.

4. RESOLUTION 4 – ISSUE OF SHARES TO NOTEHOLDERS

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 the Essential Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 155,000,000 Shares to the Noteholders 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.

5. RESOLUTION 5 – 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 on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 250,000,000 Shares at an issue price of not less than 2 cents per Share to raise up to \$5,000,000 on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

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.

6. RESOLUTION 6 – PARTICIPATION OF RELATED PARTY IN PUBLIC CAPITAL RAISING – PIERS LEWIS

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

“That, subject to and conditional on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares to Piers Lewis (or his nominee) as part of the Public Capital Raising on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Piers Lewis and any of his 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.

7. RESOLUTION 7 – PARTICIPATION OF RELATED PARTY IN THE PUBLIC CAPITAL RAISING – RODERICK CORPS

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

"That, subject to and conditional on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Shares to Roderick Corps (or his nominee) as part of the Public Capital Raising on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Roderick Corps and any of his 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.

8. RESOLUTION 8 – PARTICIPATION OF RELATED PARTY IN PUBLIC CAPITAL RAISING – GARY ROPER

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

"That, subject to and conditional on the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 500,000 Shares to Gary Roper (or his nominee) as part of the Public Capital Raising on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Gary Roper and any of his 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.

9. RESOLUTION 9 – CHANGE OF COMPANY NAME

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

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of and with effect from the date that ASIC alters the details of the Company's registration in accordance with section 157(1)(a) of the Corporations Act, approval is given for the name of the Company to be changed to CYCLIQ Group Limited."

10. RESOLUTION 10– ELECTION OF DIRECTOR – ANDREW HAGEN

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

"That, subject to and conditional on the passing of all the Essential Resolutions and Settlement occurring, for the purpose of clauses 11.2 of the Constitution and for all other purposes, Andrew Hagen, a proposed director who being eligible and having consented to act, be appointed as a Director of the Company on and from Settlement."

11. RESOLUTION 11 – ELECTION OF DIRECTOR – KINGSLEY FIEGERT

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

"That, subject to and conditional on the passing of all the Essential Resolutions and Settlement occurring, for the purpose of clauses 11.2 of the Constitution and for all other purposes, Kingsley Fiegert, a proposed director who being eligible and having consented to act, be appointed as a Director of the Company on and from Settlement."

12. RESOLUTION 12 – ELECTION OF DIRECTOR – CHRISTOPHER SINGLETON

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

"That, subject to and conditional on the passing of all the Essential Resolutions and Settlement occurring, for the purpose of clauses 11.2 of the Constitution and for all other purposes, Christopher Singleton, a proposed director who being eligible and having consented to act, be appointed as a Director of the Company on and from Settlement."

13. RESOLUTION 13– REPLACEMENT OF CONSTITUTION

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

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."

Dated: 9 August 2016

By order of the Board

Piers Lewis
Non-Executive Director and Company Secretary

EXPLANATORY STATEMENT

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

1. BACKGROUND TO THE PROPOSED ACQUISITION OF CYCLIQ

1.1 The Company

Voyager Global Group Ltd (the **Company**) is a public company listed on the Official List (ASX code: VGR). The Company was admitted to the Official List of the ASX on 21 November 2007 as an independent oil and gas exploration and production company.

The Company has been suspended from official quotation since 7 October 2014. During this period the Company has entered into, but not completed a transaction with Voyager Global Choice Pty Ltd which the Company announced on 18 May 2015 was not proceeding. Since this date, the Company has been evaluating alternative corporate opportunities, both in Australia and overseas.

1.2 Background of Acquisition

As announced on 10 May 2016, the Company has entered into a conditional binding terms sheet (**Terms Sheet**) to acquire 100% of the issued shares in Federation Enterprises (WA) Pty Ltd (ACN 119 804 974) (**CYCLIQ**) (**Acquisition**) from the shareholders of CYCLIQ (**CYCLIQ Shareholders**).

CYCLIQ is focused on the development of High Definition (HD) camera/light combination accessories for cyclists (**CYCLIQ Technology**) with its aim to make cycling safer, more accessible and enjoyable for cyclists around the world.

The Acquisition is conditional on, among other things, the Company obtaining all necessary regulatory and shareholder approvals to effect the Acquisition and satisfying all other requirements of ASX for the reinstatement to official quotation of the Company's Shares on the ASX.

A summary of the material terms of the Terms Sheet is set out in Section 1.7 below.

This Notice of Meeting sets out the Resolutions necessary to complete the Acquisition and associated transactions. Each of the Resolutions, bar Resolution 13, are conditional upon the approval by Shareholders of each of the Essential Resolutions. If any of the Essential Resolutions are not approved by Shareholders, all of the Resolutions, bar Resolution 13, will fail and Settlement will not occur.

The valuation and number of Securities to be issued in consideration for the Acquisition was determined through arm's length negotiations between the Directors and the CYCLIQ board of directors. In determining the purchase price for CYCLIQ, the Directors of the Company took into account the following considerations:

- (a) internal revenue and profit forecasts of CYCLIQ. However, those forecasts cannot be stated publically as they do not comply with ASIC guidelines (in particular, ASIC Regulatory Guide 170 which requires

directors to have a reasonable basis for disclosing forecast financial information);

- (b) the last prices at which CYCLIQ raised equity funding from third party investors;
- (c) CYCLIQ's future prospects based on the status of the CYCLIQ Technology; and
- (d) representations from the CYCLIQ directors as to the price at which a takeover offer for CYCLIQ would be likely to succeed.

The Company confirms that no formal valuation process in respect of CYCLIQ was undertaken through the engagement of independent advisers.

The final price was determined through arm's length negotiations that took place over a number of weeks between the directors of CYCLIQ and the Directors of the Company. As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always a good valuation methodology available when determining the purchase price and the Directors were required to take into account qualitative factors such as those set out above in coming to a decision on price.

For this reasons, it was determined that the consideration payable would consist entirely of scrip which would be subject to escrow provisions (no cash component) so that the value would ultimately be dependent upon the success of the CYCLIQ business itself following completion of the Acquisition.

1.3 Overview of CYCLIQ

(a) CYCLIQ Background

CYCLIQ was incorporated in Western Australia on 22 May 2006.

CYCLIQ is an Australian company that is a lifestyle brand making High Definition (HD) camera/light combination accessories for cyclists which it currently sells in over 25 countries and has sold 3,874, 9,354 and 13,606 units over the past 3 financial years.

CYCLIQ's mission is to make cycling safer, more accessible and enjoyable for cyclists around the globe. It operates its business of designing manufacturing and selling cycling accessories under the trading names "CYCLIQ" and CYCLIQ PRODUCTS".

In Australia, CYCLIQ is the registered holder of the business name "CYCLIQ PRODUCTS". CYCLIQ also holds, or is the applicant for, trade marks and patents as set out in Annexure 2, including a recently granted innovation patent, which are used in the global operations of the CYCLIQ business. The development team have a robust product roadmap that aims to maintain and enhance CYCLIQ's position as the No.1 brand in combined HD camera and light products for cyclists.

Outside of Australia, CYCLIQ's operations, including manufacturing, marketing, distribution, sales and sales support are conducted by its wholly owned subsidiary, BSA International Ltd (**BSA**), a company registered in the British Virgin Islands. CYCLIQ has granted BSA a licence to use its intellectual property to conduct the international operations of the CYCLIQ business. It is currently formalising the terms of that licence

to BSA under an intellectual property licence and management agreement.

CYCLIQ has a well-developed distribution network including online, direct and distributor sales channels. Boasting access to over 6,000 independent bike dealers in the US and over 2,000 in the UK, CYCLIQ is well positioned to leverage the growing need for video cameras on bikes for safety, action and professional level needs in these and other jurisdictions.

Further information on CYCLIQ and its products can be found at www.cycliq.com.

(b) CYCLIQ Products

CYCLIQ's High Definition (HD) camera/light combination cycling products are suitable for the commuter, weekend cyclist and the professional alike and have a number of unique selling points including:

- (i) the longest battery life in the action camera class;
- (ii) inbuilt safety features; and
- (iii) being the first cycling accessory to utilise nano-technology.

CYCLIQ products are designed to maximise user generated content. Having worked with the global sports social media channel, Strava for over two years, CYCLIQ have the globally unique position to harvest Strava metrics and overlay them onto full HD footage right from your smartphone – something no other company is doing.

CYCLIQ products are also the devices of choice to deliver Kinomap's HD video feeds for indoor training of key cycling routes, including Grand Tours around the world. They are the only products that can video an entire route of some of the longest world pro-tour level stages. This opens opportunities for CYCLIQ to work with the owners of grand tours such as the Tour de France, Giro d'Italia and Paris-Roubaix (which was recently recorded using CYCLIQ products through the Kinomap platform).

CYCLIQ manufactures its products through a reputable manufacturing head-contractor in Hong Kong, which CYCLIQ has worked with for nearly 2 years. Since that time, CYCLIQ products have been successfully developed and manufactured by the head-contractor (and its manufacturing subcontractors) on standard contracts. CYCLIQ is currently in discussions with the head contractor about the possibility of entering into a formal standing-offer manufacturing agreement to govern its future manufacturing arrangements.

Further information on CYCLIQ products can be found at www.cycliq.com.

(c) CYCLIQ Team

The CYCLIQ management team consists of the following experienced leaders:

- (i) Andrew Hagen;

- (ii) Kingsley Fiegert;
- (iii) Jeroen van Zon;
- (iv) Lukasz Calik; and
- (v) Anthony Minchin.

(d) **Industry Overview and Market Position**

Cycling is a growing sport often referred to as 'the new golf' and CYCLIQ is the number one brand in HD camera & light combos.

According to Bicycling Trade Magazine¹ global cycling market is set to reach \$60B in 2019¹ of which the parts and accessories market is set to reach \$16.5B.

A report dated 3 July 2015 by Arun Gill, a market analyst for Futuresource Consulting, has also estimated that the global action camera market is set to reach in the same year \$8.6B².

Currently there are no competing products that incorporate both a HD video camera and light as a stand-alone accessory. There are many action cameras that can be attached to a bicycle and there are many lights that can be attached to a bicycle.

CYCLIQ's products are positioned in the market as the leader in battery life and innovative accompanying software, which differentiates CYCLIQ from other action camera competitors. Although other action camera companies could seek to expand their battery capacity (as CYCLIQ anticipates they will), CYCLIQ battery life is currently 5x that of the leading action camera in the market.

A significant barrier to entry is the current form and design factor of competitors' action cameras, which are so small that it prevents them from including sufficient battery power to compete with CYCLIQ. In addition, CYCLIQ has spent considerable R&D resources developing products that have a camera & emit light without causing camera flare or light pollution onto the footage.

The professional cycling industry is looking for new ways to monetise the sport of cycling and on-board video footage during races has been identified as the leading opportunity to achieve this goal.³ CYCLIQ products' are well suited to this opportunity, delivering both HD footage that can record entire rides as well as lighting needed to keep cyclists safe on the roads. CYCLIQ seeks to develop and produce smart cameras, not just another action camera.

CYCLIQ's focus on developing and maximising user generated content for its products will allow it grow the CYCLIQ brand in a genuine and organic manner, whilst the content also provides a constant feed of authentic marketing material.

¹ Bicycling Trade Magazine – December 2015

² <http://www.futuresource-consulting.com/2015-07-Action-Cameras-Market-Growth-1235.html>

³ <http://www.velon.cc/en/about>

(e) **Strategy Post Listing**

Growth opportunities for revenue currently come from key geographies (US, UK, Australia) where CYCLIQ have an initial presence. Revenues into new territories such as the EU and select regions of Asia are growing but do not account for a significant portion of CYCLIQ's current overall revenue. CYCLIQ intends to expand its footprint into key territories by opening new sales channels in both online as well as brick & mortar store fronts via its distribution network.

CYCLIQ hopes to continue to drive sales through marketing initiatives including campaigns, user generated content, influencer marketing with individuals and teams as well as key industry events both in Australia and overseas. These initiatives are the main drivers of growth in CYCLIQ's brand equity and product awareness and CYCLIQ hopes to drive sales through both the online platforms and brick & mortar channels of CYCLIQ's global network of bike dealers and distributors.

In addition to sales of its products, CYCLIQ is looking at other revenue streams for subscription services such as cloud based applications, premium smartphone applications and licensing intellectual property. CYCLIQ is also starting to curate video content and monetizing it through various content platforms.

Product innovation and investment in research and development will be a key competitive advantage for CYCLIQ. Accordingly, CYCLIQ has a robust product roadmap of new products, supporting accessories and software applications to ensure a strong supply of innovative solutions for our customers which will not only function for the cycling market but other vertical markets within the broader action camera segment.

(f) **Intellectual Property**

CYCLIQ has been developing its technology and products for over four years and currently has patents and trademarks which, as at the date of this Notice, includes the patents and trademarks set out in Annexure 2.

Initial patents Cycqliq applied for were focused on physical or hardware applications whereas most recent patent applications also relate to software. CYCLIQ sees the progression of software patents a key aspect to developing intellectual property based assets and achieving increased revenue and capital growth of its business.

1.4 Re-compliance with Chapters 1 and 2 of the Listing Rules

ASX has advised the Company that, given the Company is proposing to make a change in its activities from an oil and gas exploration company to a cycling products and cycling technology company, it has exercised its discretion to require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules prior to the Company completing the Acquisition.

For this purpose, the Company will be required to re-comply with the conditions to listing on ASX set out in Chapters 1 and 2 of the ASX Listing Rules in order to achieve Settlement and before it can be re-instated to trading on ASX following Settlement.

ASX Listing Rule 2.1 Condition 2 provides that it is a condition of quotation of the main class of a company's securities of an entity seeking admission to ASX that

the issue price of the securities for which the company seeks quotation must be at least \$0.20 in cash. In addition, ASX Listing Rule 1.1 Condition 11 provides that for an entity to be admitted to the official list, the exercise price for any options on issue must be at least \$0.20 in cash.

On 3 August 2016, ASX granted the Company a waiver from the requirements outlined above to enable the Company to issue securities for the purpose of satisfying ASX Listing Rule 2.1, Condition 2 at not less than \$0.02 per Share with all Options issued having an exercise price of not less than \$0.02 after the completion of the Acquisition. This waiver is subject to Shareholders approving the Company undertaking the Public Capital Raising at not less than \$0.02 and other conditions as set out in the Company's announcement of 5 August 2016.

1.5 Public Capital Raising

For the purposes of the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake the Capital Raising through the issue of a minimum of 125,000,000 Shares and up to 250,000,000 Shares at not less than \$0.02 per Share to raise a minimum of \$2,500,000 and up to \$5,000,000 (**Public Capital Raising**).

Funds raised under the Public Capital Raising are intended to be used in the manner set out in Section 1.6.

The Company expects to lodge a prospectus for the Public Capital Raising with ASIC before or on the date of the General Meeting. The Public Capital Raising is intended to be completed in accordance with the timetable set out in Section 1.12.

1.6 Use of funds

Following Settlement, the Company expects to use its cash funds as follows (excluding any revenues to be received by CYCLIQ from its business which will increase the total funds available to the Company):

FUNDS AVAILABLE	Minimum Subscription (2,500,000) A\$	Percentage of Funds %	Maximum Subscription (5,000,000) A\$	Percentage of Funds %
Cash reserves of the Company (post Acquisition) ¹	\$1,000,000	28.57%	\$1,000,000	16.67%
Funds raised from the Public Capital Raising ²	\$2,500,000	71.43%	\$5,000,000	83.33%
TOTAL	\$3,500,000	100%	\$6,000,000	100%
ALLOCATION OF FUNDS	Minimum Subscription (2,500,000) A\$	Percentage of Funds %	Maximum Subscription (5,000,000) A\$	Percentage of Funds %
Expenses of the Offers	\$345,000	9.86%	\$500,000	8.33%
Product Development and Engineering	\$1,247,500	35.64%	\$2,222,500	37.04%
Sales and Marketing	\$1,105,000	31.57%	\$1,805,000	30.08%
Working capital	\$417,500	11.93%	\$837,500	13.96%

Executive salaries and corporate administration	\$385,000	11.00%	\$635,000	10.58%
TOTAL	\$3,500,000	100%	\$6,000,000	100%

Notes

- These funds represent existing cash held by the Company and CYCLIQ at the date of this Notice adjusted for transactions associated with the Acquisition, as if they had occurred on 30 June 2016. The Company and CYCLIQ will incur costs and receive revenues within the ordinary course of their respective businesses after 30 June 2016 which will change this amount prior to Settlement.
- Under the Minimum Subscription scenario above, it is assumed that 125,000,000 Shares are issued at an issue price of \$0.02 each to raise \$2,500,000. Under the Maximum Subscription scenario above, it is assumed that 250,000,000 Shares are issued at an issue price of \$0.02 each to raise \$5,000,000.
- Project development and engineering costs include those incurred in the performance of industrial design, including tooling and associated tasks; mechanical and electrical engineering; software development and firmware development.
- Sales and marketing includes all costs related to advertising and promoting CYCLIQ's product. Business development & sales includes all business development and outbound evangelism costs, including trade shows, corporate events, non-marketing sponsorships and the cost of business development staff.
- Working capital and corporate administration costs include the general costs associated with the management and operation of the business including inventory management, administration expenses, management salaries, directors' fees, rent and other associated costs.
- Refer to the table below for the itemised costs of the expenses associated with the Acquisition:

Estimated Costs of Acquisition	Minimum Subscription (2,500,000) A\$	Maximum Subscription (5,000,000) A\$
ASX Fees	\$65,759	\$68,259
ASIC Fees	\$2,320	\$2,320
Legal and Due Diligence Expenses	\$120,000	\$120,000
Shareholder Meeting and Share Registry Costs	\$5,000	\$5,000
Other (including printing and mailing costs)	\$2,500	\$2,500
Public Capital Raising Fees	\$150,000	\$300,000
TOTAL	\$345,579	\$498,079

The above tables are statements of current intentions as of the date of this Notice of Meeting. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

1.7 Terms of the Acquisition

(a) Terms Sheet

The Terms Sheet announced on 10 May 2016 sets out the terms upon which the Company has agreed to acquire 100% of the issued shares in CYCLIQ from the CYCLIQ Shareholders.

The material terms of the Terms Sheet are as follows:

- (i) **(Consideration):** Subject to satisfaction or waiver of the conditions precedent, in consideration for the Acquisition, the Company has agreed to issue upon Settlement, the following securities to the CYCLIQ Shareholders:
 - (A) 220,000,000 Consideration Shares; and
 - (B) 10,000,000 Performance Shares that convert into Shares upon satisfaction of one of the following milestones or such other milestones and on such terms and conditions as approved by the ASX and on the terms contained in Schedule 1:
 - (I) the Company reports an earnings before interest, tax, depreciation and amortisation **(EBITDA)** of at least \$3,000,000 from the CYCLIQ assets and business and any derivatives thereof; or
 - (II) the Company reports consolidated revenue of at least \$30,000,000,(together the **Consideration Securities**), based on the Company's consolidated audited accounts, provided that the Milestone is satisfied by no later than 30 June of the fourth financial year following the Issue Date (not including the financial year in which the Issue Date occurs).
- (ii) **(Conditions Precedent):** Settlement of the Acquisition will be subject to a number of conditions precedent, including, but not limited to:
 - (A) completion of due diligence by the Company on CYCLIQ's business, assets, operations, financial position, financial performance and any further matters relevant to CYCLIQ, in each case to the satisfaction of the Company;
 - (B) each of the CYCLIQ Shareholders agreeing to sell (or being legally required to sell) all of their CYCLIQ shares **(CYCLIQ Shares)** to the Company for the Consideration Securities;
 - (C) CYCLIQ preparing audited accounts for the shorter period of three years and the date of incorporation of CYCLIQ and delivering those accounts to the Company;
 - (D) the Company, CYCLIQ and CYCLIQ Shareholders obtaining all necessary shareholder and regulatory approvals in relation to the Acquisition (including, but not limited to, conditional approval for the Company's Shares to be reinstated to quotation on ASX following completion of the Acquisition, on conditions satisfactory to the Company);

- (E) the Company lodging a prospectus with ASIC to raise no less than \$2,500,000 via an offer of Shares pursuant to that prospectus at an issue price of a minimum of \$0.02 each so that the Company has a minimum net cash balance of at least \$3,000,000 at Settlement, or such amount as necessary to satisfy the ASX Listing Rules;
- (F) if required, each of the CYCLIQ Shareholders waiving all pre-emptive and other rights over any of the CYCLIQ Shares conferred by the constituent documents of CYCLIQ, any shareholders' agreement relating to CYCLIQ, or in any other way (if any); and
- (G) each CYCLIQ Shareholder entering into a restriction agreement to the extent required by the ASX or the ASX Listing Rules whereby they agree to an escrow period on their Consideration Shares and the Shares issued upon exercise of the Performance Shares for such period as mandated by ASX,

(together, the **Conditions Precedent**).

- (iii) (**Board changes**): At Settlement, CYCLIQ will have the right to appoint the CYCLIQ nominees as directors to the Board of the Company. The Company must cause two of the existing Directors to resign as directors at Settlement of the Acquisition. Pursuant to the Acquisition, CYCLIQ will appoint Messrs Hagen, Singleton and Fiegert as directors of the Company.

The Terms Sheet otherwise contains terms, conditions and restrictions which are customary for an agreement of its nature.

(b) **Initial Capital Raising**

As announced on 9 June 2016, the Company has undertaken a capital raising by way of a non-renounceable rights issue at a ratio of 1:1 at \$0.02 per Share up to approximately \$380,000 (**Initial Capital Raising**).

1.8 **Effect on Capital Structure**

A pro forma capital structure following Settlement (assuming the Maximum Subscription is raised under the Capital Raising) is set out below:

	Shares	Performance Shares
Current capital structure	37,933,730 ¹	Nil
Consideration Securities	220,000,000	10,000,000 ²
Public Capital Raising	250,000,000	Nil
Noteholder Shares	155,000,000	Nil
Capital structure post Acquisition	662,933,730³	10,000,000²

Notes:

- Includes the 18,966,865 Shares issued as part of the Initial Capital Raising.

2. Terms and Conditions of the Performance Shares are set out in Schedule 1 and the Performance Shares may be converted into a maximum of 200,000,000 Shares upon the relevant milestones being met. The number of Shares that the Performance Shares will convert into will change depending on the conversion price at the time the relevant milestone is satisfied, for example a conversion price of \$0.04 (100,000,000), \$0.06 (66,666,667), \$0.08 (50,000,000) and \$0.10 (40,000,000).
3. This assumes that none of the Performance Shares are converted.

1.9 Substantial Shareholders

As at the date of this Notice of Meeting, the following Shareholders hold 5% or more of the total number of Shares on issue:

Shareholder	Shares	%
The Trust Company (Australia) Limited <MOF A/C>	5,598,858	14.76%
Mr John Andrew Rodgers <John Rodgers Family A/C>	4,897,841	12.91%
Ajava Holdings Pty Ltd	5,417,530	15.68%
Total	15,914,229	41.95%

On completion of the Acquisition, the Company expects that the following shareholders will hold a relevant interest in 5% or more of the total number of Shares on issue.

Shareholder	Shares	%
Sunset Enterprises WA Pty Ltd ¹	86,492,349 ²	13.05%
Breakwater (WA) Pty Ltd ³	82,764,114 ⁴	12.48%
Total	169,256,463	25.53

Notes:

1. Kingsley and Nicole Fiegert are the shareholders of Sunset Enterprises WA Pty Ltd, which is the trustee of a family trust in relation to which Kingsley, Nicole and their children are the beneficiaries.
2. Comprises 80,424,905 Shares issued to Sunset Enterprises WA Pty Ltd and 6,067,444 Shares issued to Tuart Properties Pty Ltd (Sunset Enterprises Pty Ltd holds 50% of the shares in Tuart Properties Pty Ltd) as part of the Consideration Securities. Sunset Enterprises WA Pty Ltd and Breakwater (WA) Pty Ltd each own 50% of the shares in Tuart Properties Pty Ltd.
3. Andrew Hagen is the sole shareholder of Breakwater (WA) Pty Ltd, which is the trustee of a trust in relation to which Andrew is also the sole beneficiary.
4. Comprises 76,696,670 Shares issued to Breakwater (WA) Pty Ltd and 6,067,444 Shares issued to Tuart Properties Pty Ltd (Breakwater (WA) Pty Ltd holds 50% of the shares in Tuart Properties Pty Ltd) as part of the Consideration Securities.

1.10 Effect on control of the Company

As set out in Section 1.9, at Settlement the Company's substantial Shareholders will be Sunset Enterprises Pty Ltd and Breakwater (WA) Pty Ltd (**Substantial Shareholders**). Neither of the Substantial Shareholders are presently Shareholders

nor are they related parties of the Company for the purpose of the Corporations Act.

In addition to the receipt of their Consideration Shares, the voting power of the Substantial Shareholders will depend on the number of Shares that are issued following conversion of the Performance Shares. The below table sets out this voting power based on several scenarios. The full terms of the Performance Shares are set out in Section 4 and Schedule 1.

The information in the table is based on the assumption that the Maximum Subscription is raised and no other Shares are issued prior to the date the relevant milestone is satisfied.

Event	Voting Power held by Sunset Enterprises Pty Ltd ¹	Voting Power held by Breakwater (WA) Pty Ltd ²
Date of this Notice	Nil	Nil
At Settlement	13.05%	12.487%
Assuming the Performance Shares convert to 200,000,000 Shares, based on a conversion price of \$0.02	19.14%	18.31%
Assuming the Performance Shares convert to 100,000,000 Shares, based on a conversion price of \$0.04	16.49%	15.78%
Assuming the Performance Shares convert to 66,666,667 Shares, based on a conversion price of \$0.06	15.45%	14.78%

Notes:

1. Includes Shares issued to Sunset Enterprises Pty Ltd as well as to Tuart Properties Pty Ltd (Sunset Enterprises Pty Ltd holds 50% of the shares in Tuart Properties Pty Ltd).
2. Includes Shares issued to Breakwater (WA) Pty Ltd as well as to Tuart Properties Pty Ltd (Breakwater (WA) Pty Ltd holds 50% of the shares in Tuart Properties Pty Ltd)

The voting power held by the Substantial Shareholders in the table above shows the potential effect on control of the Company due to the Acquisition. We note that if only the Minimum Subscription is raised, the conversion price for the Performance Shares is \$0.02 and therefore 200,000,000 Shares are issued and no other Shares are issued before the relevant milestone is converted, then Sunset Enterprises Pty Ltd and Breakwater (WA) Pty Ltd will hold voting power of 22.38% and 21.42%. In the Company's opinion, it is very unlikely that all of these factors will occur as they anticipate that should a milestone be satisfied the Company's Share price will also increase to a level above the price under the Capital Raising.

In accordance with paragraph 2(e) of the terms and conditions of the Performance Shares set out in Schedule 1, the conversion of Performance Shares held by Sunset Enterprises Pty Ltd or Breakwater (WA) Pty Ltd would be deferred if the conversion would result in the voting power of that Shareholder increasing to more than 20% in contravention of section 606(1) of the Corporations Act 2001 (Cth).

1.11 Pro Forma Statement of Financial Position

The pro-forma balance sheet of the Company following completion of the Acquisition and issues of all Shares and Performance Shares contemplated by this Notice is set out in Annexure 1, showing:

- (a) the pro-forma balance sheet of the Company assuming that the Minimum Subscription is raised under the Public Capital Raising; and
- (b) the pro-forma balance sheet of the Company assuming that the Maximum Subscription is raised under the Public Capital Raising.

The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

1.12 Indicative timetable

An indicative timetable for Settlement and the associated transactions is set out below:

Event	Date
Announce Acquisition	10 May 2016
Notice of Meeting sent to Shareholders	10 August 2016
Lodgement of prospectus with ASIC	9 September 2016
Shareholder's meeting to approve the Acquisition	9 September 2016
Closing date	10 October 2016
Re-quotation on ASX	14 October 2016

Please note this timetable is indicative only and the directors of the Company reserve the right to amend the timetable as required.

1.13 Board intention if Settlement occurs

In the event that Settlement occurs, the Company proposes to:

- (a) continue development of the CYCLIQ Technology;
- (b) undertake marketing throughout Australia and internationally; and
- (c) pursue business development opportunities for the CYCLIQ Technology both in Australia and internationally.

It is intended to allocate the funds raised from the Public Capital Raising and existing cash reserves as set out in Section 1.6.

1.14 Composition of the Board of Directors

It is intended that the Board of Directors will comprise Andrew Hagen, Kingsley Fiegert, Christopher Singleton and Piers Lewis upon Settlement occurring.

It is currently intended that Roderick Corps and Gary Roper will retire, effective on Settlement occurring, and that Piers Lewis will continue as an interim Director until appropriate replacement Directors are identified. Additional Board and management resources may be considered as appropriate as the CYCLIQ Technology develops.

1.15 Advantages of the 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 the Essential Resolutions:

- (a) the Company will obtain ownership of CYCLIQ through the Acquisition;
- (b) the Acquisition represents an attractive investment opportunity for the Company to change its business focus to that of a cycling products and cycling technology company;
- (c) with the increasing popularity of cycling and an appetite of both the cycling and non-cycling public to make cycling a safer, more accessible and enjoyable pastime, the Company will be exposed to an industry which has the potential to grow significantly;
- (d) CYCLIQ is currently generating revenue through the sale of its products in over 25 countries;
- (e) the Public Capital Raising will inject significant funds into the Company in the context of its current funding profile. This will enable it to undertake preliminary actions in pursuance of its new direction and growth activities. The proposed redevelopment works discussed in this Notice represent a significant growth opportunity for the Company and Shareholders will have exposure to the advantages that this growth opportunity presents; and
- (f) the Company will be managed by directors and officers with significant experience in cycling and cycling technology industry.

1.16 Disadvantages of the 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 the Essential Resolutions:

- (a) the Company will be changing the nature and scale of its activities to primarily be a cycling products and cycling technology company, which may not be consistent with the objectives of all Shareholders;
- (b) the Acquisition will result in the Public Capital Raising, the issue of Consideration Securities and the Noteholder Shares which will have a dilutionary effect on the holdings of Shareholders;
- (c) future outlays of funds from the Company may be required for the operations of CYCLIQ;
- (d) there is potential for a superior, alternative proposal to emerge which the Company may miss out on should the Acquisition complete. As at the date of preparation of this Notice, no superior proposal has been received by the Directors. While it is possible that a superior proposal will

emerge, the Directors have no reason to believe at the date of this Notice that a superior proposal is likely to be forthcoming; and

- (e) there are additional risk factors associated with the change in nature of the Company's activities resulting from the Acquisition. Some of the key risks are summarised in Section 1.17 below.

1.17 Risk factors

Shareholders should be aware that if the Acquisition is approved and completed, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from CYCLIQ, parties contracted or associated with CYCLIQ and the Acquisition. The risks and uncertainties described below are not intended to be exhaustive. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers to be immaterial, which may affect the Company. Based on the information available, a non-exhaustive list of risk factors for the Company associated with the Company's proposal to acquire all CYCLIQ Shares is set out below.

(a) Risks relating to the Change in Nature and Scale of Activities

(i) Re-quotation of Shares on ASX

The acquisition of CYCLIQ 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 the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

(ii) Dilution risk

The Company currently has 37,933,730 Shares on issue (including any Shares issued under the Initial Capital Raising). At Settlement, the Company proposes to issue:

- (A) the Consideration Shares;
- (B) the Performance Shares;
- (C) the Public Capital Raising Shares; and
- (D) the Noteholder Shares.

On issue of the Consideration Shares and the Initial Capital Raising Shares (including a full subscription under the Initial and Public Capital Raisings and provided no Options or Performance Shares are exercised):

- (A) the existing Shareholders will retain approximately 5.72% of the Company's issued Share capital;
- (B) the Vendors will hold approximately 56.57% of the Company's issued Share capital; and
- (C) the investors under the Public Capital Raising will hold approximately 37.71% of the Company's issued Share capital.

If subsequently the performance milestones are met and the Performance Shares are converted into the maximum number of Shares, being 200,000,000 Shares and provided no other Shares are issued or Options exercised), the interests of the existing Shareholders in the Company will reduce to 4.40%.

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

(iii) **Liquidity risk**

On Settlement, the Company proposes to issue the Consideration Shares, the Performance Shares, the Public Capital Raising Shares and the Noteholder Shares. The Directors understand that ASX will treat some of these securities as restricted securities in accordance with Chapter 9 of the ASX Listing Rules. However, submissions may be made to the ASX to apply for cash formula relief in respect of these Securities.

Based on the post-Acquisition capital structure (assuming no further Shares are issued or Options exercised), the Noteholder and Consideration Shares will equate to approximately 56.57% of the issued Share capital on an undiluted basis. This could be considered an increased liquidity risk as a large portion of issued capital may not be able to be traded freely for a period of time.

(iv) **Contractual risk**

Completion of the Acquisition is 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 Terms Sheet. If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

(v) **Shareholders not agreeing to accept the terms of the Acquisition**

There is a risk that the parties may be unable to satisfy all the conditions to the Acquisition. Specifically, there is a risk that not all the CYCLIQ Shareholders will agree to accept the terms of the Acquisition; should this occur the Acquisition will not proceed.

(b) **Risks in respect of CYCLIQ's current operations**

(i) **Competition and new technologies**

The industry in which CYCLIQ is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company 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 the Company's projects and business. For instance, new technologies could result in the CYCLIQ not being differentiated to other similar offerings.

The size and financial strength of some of CYCLIQ's competitors may make it difficult for it to maintain a competitive position in the technology market. In particular, CYCLIQ's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

The key competition risk is in achieving appreciable market share and differentiation from its key competitors.

(ii) **Sales and marketing success**

Following Settlement, the Company intends to focus on developing and marketing the CYCLIQ Technology. By its nature, there is no guarantee that the CYCLIQ Technology's development and marketing campaign will be successful. In the event that it is not, the Company may encounter difficulty creating market awareness of the CYCLIQ Technology. This would likely have an adverse impact on the Company's potential profitability.

Even if the Company does successfully commercialise the CYCLIQ Technology, there is a risk the Company will not achieve a commercial return. For example, new technology may overtake and supersede the CYCLIQ Technology.

(iii) **Attracting customers to the CYCLIQ Technology**

The Company's revenue will be affected by its ability to attract customers to the CYCLIQ Technology, notably the HD camera/light combination bike accessory. Various factors can affect the level of customers using the CYCLIQ Technology, including:

- (A) Marketing and promotions: If the Company's marketing and promotion efforts are not effective this may result in fewer customers using the CYCLIQ Technology; and

- (B) Brand damage: If the Company or CYCLIQ suffer from reputational damage, customer numbers could be affected.
- (C) Pricing: Targeted customers may not be prepared to incur the costs to purchase the CYCLIQ Technology or to abandon the equivalent products that they currently use.

Accordingly, there is no guarantee that CYCLIQ's marketing and pricing strategies will be successful to achieve a sizeable take up rate of its products from customers.

Further, if market analysts publish negative or inaccurate information about CYCLIQ, it could lead to the Share price decreasing or restrict the volume of stock traded in the future.

(iv) **Limited operating history**

CYCLIQ has a limited operating history and the potential of its business model is unproven. No assurances can be given that CYCLIQ will achieve commercial viability through the successful implementation of its business plans.

(v) **Historical financial performance is not indicative on future growth**

CYCLIQ's historical financial performance does not provide an indication on growth in the future. If future revenues are lower than expected and costs are higher than expected, financial results could show a lower amount of profit or greater losses.

CYCLIQ is a growing and early stage company which historically has spent more money than it has made, delivering losses. These losses can continue for a number of years while establishing the brand and product positioning which requires substantial cash. The amount of cash required to establish the brand or to generate enough revenue to bring CYCLIQ into a profitable financial position could require more cash than it has available. To continue to grow the brand, CYCLIQ could require additional funding which could include raising more money on the ASX, borrowing money from financial institutions or investors. Raising more capital is not guaranteed and without the additional capital required could lead to lower revenues than expected.

(vi) **Failure to deal with growth**

CYCLIQ's business has the potential to grow rapidly. If that occurs and CYCLIQ fails to properly manage that growth, then that failure could harm its business. Any failure to properly meet customer demand could adversely affect the CYCLIQ business, including demand for CYCLIQ's products/services, revenue collection, customer satisfaction and public perception.

(vii) **Risks associated with overseas expansion**

The CYCLIQ Technology has been constructed so as to be capable of being utilised in, and marketed to, multiple overseas jurisdictions. In the last 7 months international distributors accounted for around 70% of non-direct revenue for CYCLIQ. As CYCLIQ seeks to expand into further overseas markets, including Southeast Asia, Europe and Latin America, it may require a physical presence in those countries and an associated increase in overheads, development costs and marketing costs.

There is the risk that any overseas expansion will be unsuccessful, or that even if there is demand for CYCLIQ's products in that market, that the costs of doing business in that market including the costs of establishing a new base in country, overseas regulatory compliance and the potential duplication of overheads and operating costs for the business, are such that CYCLIQ's profitability and available working capital will be adversely impacted.

(viii) **Customer concentration risk**

Over-reliance upon key customers may, in the event of termination or non-renewal of such arrangements, create revenue volatility. CYCLIQ is conscious of customer concentration risk and the need to diversify its customer base. However, large contract wins could skew the concentration of revenues, increasing the risk that non-renewal will have a larger impact on future earnings.

Distributors accounted for a significant amount of revenue in FY16 for CYCLIQ. If these distributors were to order less or experience their own difficulties it could have a negative effect on CYCLIQ's business operations.

(ix) **Staff risk**

There is a risk that, where there is a turnover of development staff who have knowledge of the technology and business, that knowledge will be lost in the event that those staff resign or retire. This involves the risk that those staff will have information in respect of CYCLIQ's intellectual property which has a commercial value to CYCLIQ as well as an opportunity cost for replacement of those staff and subsequent training.

This risk is mitigated as CYCLIQ has historically had low levels of staff turnover in the development teams. In addition, all staff contracts contain express provisions with respect to ownership of intellectual property and restraints of trade to limit any potential loss suffered by CYCLIQ to the maximum extent possible.

(x) **Protection of intellectual property rights**

CYCLIQ has pursued intellectual property rights protection in the form of trade marks, trade mark applications, patents and patent applications as set out in Annexure 2. CYCLIQ

anticipates that its applications will be granted but the applications do not give CYCLIQ any currently enforceable rights.

The patents and trade marks (including any subsequently granted pursuant to the applications set out in Annexure 2) are only enforceable in the territories in which they are registered. CYCLIQ may have to consider applying for registration of its patents and trade marks in further territories as its operations expand in order to protect its intellectual property rights in those areas but there is no guarantee that any such applications would be successful.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to the Company in every country in which the CYCLIQ Technology may eventually be launched. Accordingly, despite its efforts, the Company may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

Market conditions depending, the Company may be required to incur significant expenses in monitoring and protecting its intellectual property rights. It may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of its rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and cause a distraction to management.

(xi) **Currency risk**

CYCLIQ expects to derive a majority of its revenue from the United States, in US dollars. Accordingly, changes in the exchange rate between the United States dollar and the Australian dollar would be expected to have a direct effect on the performance of CYCLIQ.

(xii) **Manufacturer and supplier risk**

CYCLIQ does not have internal manufacturing capabilities and relies on contractors to manufacture the products. CYCLIQ current relies on a single head-contractor in Hong Kong, which manages the manufacture through various sub-contractors in mainland China.

Any termination or significant damage to the arrangements with CYCLIQ's manufacturing head contractor could affect CYCLIQ's ability to manufacture its products and meet customer demand until a replacement contractor can be engaged. As a result, CYCLIQ's management team is currently exploring options to engage a second contractor for its manufacturing activities.

Operational difficulties may arise with manufacturers, including reductions in the availability of production capacity, errors in complying with product specifications, insufficient quality control, failures to meet production deadlines, increases in

manufacturing costs and increased lead times. Industrial action or workforce issues with contract manufacturers may lead to delays in the production of the products. The price of components for CYCLIQ products could also increase reducing the margin per product. If there are delays in product development due to contracted manufacturers or suppliers, it could mean a delay in the release of products which could have a negative effect on revenues.

The engagement of a second manufacturing contractor may assist CYCLIQ in managing and reducing some of these risks.

Whilst CYCLIQ does not control contracted manufacturers or suppliers, CYCLIQ requires contracted manufacturers and suppliers to comply with their formal supplier code of conduct and relevant standards and have ongoing audit programs in place to assess compliance with such requirements.

(xiii) **Inventory risk**

To ensure there is an appropriate amount of inventory for each of the product lines, CYCLIQ forecast the anticipated demand for each product in advance of demand. This means placing orders with suppliers well in advance of requiring the products. If inventory management is not managed correctly, it could lead to an inability to continue working with channel partners leading to lower levels of revenue. If demands levels are underestimated, it could require CYCLIQ to source increased production capacity which would incur greater than anticipated costs of components and production leading to lower business and operating results.

(xiv) **Product support and warranties**

CYCLIQ offers a limited warranty, depending on jurisdiction, on its products and provides a product support division that addresses any support issues and determines if products are faulty or if the issue can be resolved directly with the customer. Every time a new product is introduced it will expose CYCLIQ to liability under the warranty. In addition, as CYCLIQs products are innovative and have not been made before and there is a risk that a product may be faulty or require a recall.

(xv) **Information systems and systems risk**

CYCLIQ are increasingly dependent on information systems to operate its e-commerce website, process transactions, respond to customer enquiries, manage its supply chain and ship goods, maintain cost-efficient operations and provide accurate financial reporting. Failures or interruptions in any of its information systems could affect CYCLIQ's ability to conduct and manage its operations.

(xvi) **Logistics and shipping**

CYCLIQ relies on ensuring the efficient and timely delivery of goods to customers. Third party providers are relied upon for warehousing, storage, delivery, tracking, record keeping

operations and systems. If any of these systems or operations were to be disrupted it would affect our ability to maintain business operations. Currently, only a few providers of these services are used and if one were to stop operations it could cause significant delays to CYCLIQ's operations and the ability to deliver products to customers.

(xvii) **Environmental regulations**

CYCLIQ believes they are complying with all the current environmental requirements. However, environmental regulations change from time to time and this could affect business operations and the use of materials in the future.

(xviii) **Product development**

The growth of CYCLIQ largely depends on the ability to anticipate consumer demand and deliver solutions in a timely manner. The cost and effort involved in product development is substantial and may continue to be a growing cost centre for the Company. Developing new and innovative products involves many unknown factors such as requiring materials not yet available to design and engineering challenges that could require substantial additional resources. There may not be commercially appropriate uses for these products.

(xix) **New products**

Developing related products and accessories to support the main CYCLIQ products could divert consumer interest and internal human resources away from the core range of CYCLIQ products. The market might not readily accept CYCLIQ delivering new product ranges with new features and this carries substantial financial risk. Adjusting the product mix by bringing out lower costs products could ultimately reducing general revenues if there is greater demand for the related products.

(xx) **New markets**

CYCLIQ may look to expand its product offerings into new (vertical) markets. Any efforts to enter a new market space holds the risk that the product offering does not meet the needs of the market at an acceptable price point. New vertical markets usually cost substantially more to penetrate than a known market.

(xxi) **Growth of staff and ability to manage operations**

CYCLIQ anticipate the number of its staff to grow substantially in the next 12 months. This growth may place a strain on office accommodation potentially requiring additional or upgraded premises which could cost more than expected and may have an adverse effect on business and operating expenses. If CYCLIQ continue to grow their human capital and find the demand for CYCLIQ products is not as anticipated or expenses are higher than anticipated, CYCLIQ may have to take action

to manage outgoings. This could result in workforce reductions or office accommodation changes or other restructuring costs.

(c) **General Risks Relating to the Company**

(i) **Reliance on key management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner.

(ii) **Risk of high volume of Share sales**

If Settlement occurs, the Company will have issued a significant number of new securities to various parties. Some of the Vendors and others that receive Shares as a result of the Acquisition or the Public Capital Raising may not intend to continue to hold those Shares and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact on the market price of the Company's Shares.

There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of Shares will increase. As a result, Shareholders may, upon selling their Shares, receive a market price for their securities that is less than the price of Shares offered pursuant to the Public Capital Raising.

(iii) **Trading price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks, reviews by market analysts, and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(iv) **Additional requirements for capital**

The capital requirements of the Company depend on numerous factors. Depending on the ability of the Company to generate income from its operations, the Company may require further financing in addition to amounts raised under the Public Capital Raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

(v) **Litigation risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Neither the Company nor CYCLIQ are currently engaged in any litigation.

(vi) **Economic risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

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

- (A) general economic outlook;
- (B) interest rates and inflation rates;
- (C) currency fluctuations;
- (D) changes in investor sentiment toward particular market sectors;
- (E) the demand for, and supply of, capital; and
- (F) terrorism or other hostilities.

(vii) **Technology Sector Risks**

The technology sector is characterised by rapid change. New and disruptive technologies can place competitive pressures on existing companies and business models, and technology stocks may experience greater price volatility than securities in some slower changing market sectors.

The value of the Company's securities may be adversely affected by any general decline in the valuation of listed

securities and/or adverse market sentiment towards the technology sector in particular, regardless of the Company's operating performance.

(viii) **Force majeure**

The Company, now or in the future, may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(ix) **Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products, technologies and/or products that are complementary to the Company's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and customer and supplier relationships.

(x) **Investment Speculative**

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

1.18 Plans for the Company if the Resolutions are not passed

If the Essential Resolutions are not passed and Settlement does not occur, the Company will continue to focus on oil and gas exploration and look for potential business acquisitions to take the Company forward.

1.19 Directors' interests in the Agreement

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

1.20 Vendors

None of the Vendors or their associates are related parties of the Company (other than by virtue of becoming Directors upon Settlement) and they have no existing interest in the Company's Securities.

1.21 Forward looking statements

The forward looking statements in this Explanatory Statement are based on the Company's current expectations about future events. However, they are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause

actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Explanatory Statement. These risks include but are not limited to, the risks detailed in Section 1.17. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

2. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks approval from Shareholders for the Acquisition.

The Acquisition will change the nature of the Company's activities from an oil and gas exploration company to a technology company.

A summary of the terms and conditions of the Terms Sheet is set out in Section 1.7 above and a detailed description of CYCLIQ and its business is outlined in Section 1.3 above.

2.2 ASX Listing Rule 11.1

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

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

ASX has indicated to the Company that the change in the nature and scale of the Company's activities as a result of the Acquisition requires the Company in accordance with ASX Listing Rule 11.1.2 to obtain Shareholder approval and the Company must comply with any requirements of ASX in relation to the Notice of Meeting.

2.3 Suspension until re-compliance with Chapters 1 and 2 of the ASX Listing Rules

ASX has also indicated to the Company that the change in the nature and scale of the Company's activities is a back-door listing of CYCLIQ which consequently requires the Company to (in accordance with ASX Listing Rule 11.1.3) re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules (including any ASX requirement to treat the Company's securities as restricted securities).

Accordingly, it is anticipated that the Company's securities will continue to be suspended from trading on ASX's Official List prior to market open on the day of the Meeting. If the Essential Resolutions are approved at the Meeting, it is expected that the Company's Securities will remain suspended from quotation until the Company has acquired CYCLIQ pursuant to the Terms Sheet and re-

complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Essential Resolutions are not approved at the Meeting, it is expected that the Company's securities will be reinstated to quotation on ASX's Official List after the Company announces the results of the Meeting in accordance with the Listing Rules and Corporations Act.

3. RESOLUTION 2 – CREATION OF A NEW CLASS OF SECURITIES – PERFORMANCE SHARES

3.1 Background

This Resolution seeks Shareholder approval for the Company to be authorised to issue the Performance Shares.

3.2 Legal requirements

Section 246B of the Corporations Act and clause 3.2 of the Company's Constitution provides that the rights attaching to a class of shares cannot be varied without:

- (a) a special resolution passed at a meeting of the holders of the issued shares of the affected class; or
- (b) the written consent of the holders of 75% of the votes of the affected class.

The Company must give written notice of the variation to the members of the affected class within 7 days after the variation is made.

Section 246C(5) of the Corporations Act confirms that if a company with only one class of shares issues a new class of shares, the issue of the new class of shares is taken to vary the rights attached to shares in the existing class if:

- (a) the rights attaching to the new class of shares are not the same as the rights attached to the existing class of shares; and
- (c) the rights attaching to the new class of shares are not provided for in:
 - (i) the Company's constitution (if any); or
 - (ii) a notice, document or resolution that is lodged with ASIC.

3.3 Application to the Company

The Company currently has only one class of shares on issue being fully paid ordinary shares. The terms of the Performance Shares will not be the same as the Shares and the rights attaching to the Performance Shares are not provided for in the Constitution. Accordingly, the Company seeks Shareholder approval by special resolution at the Meeting for the creation of a new class of shares known as Performance Shares.

There will only be one class of Performance Shares and the proposed terms of the Performance Shares are set out in Schedule 1.

In the event this Resolution is passed by the requisite majority the Company will give written notice of the variation to the rights attaching to Shares to Shareholders within 7 days.

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

4. RESOLUTION 3 – ISSUE OF CONSIDERATION SECURITIES

4.1 General

This Resolution seeks Shareholder approval for the issue of:

- (a) 220,000,000 Consideration Shares; and
- (b) 10,000,000 Performance Shares that convert into a maximum of 200,000,000 Shares upon satisfaction of one of the following milestones, and on such terms and conditions as set out in Schedule 1 and approved by the ASX (**Milestones**):
 - (i) the Company reports an earnings before interest, tax, depreciation and amortisation (**EBITDA**) of at least \$3,000,000 from the CYCLIQ assets and business and any derivatives thereof; or
 - (ii) the Company reports revenue of at least \$30,000,000,

based on the Company's consolidated audited accounts, and where the Milestones must be satisfied by no later than 30 June of the fourth financial year following the Issue Date (not including the financial year in which the Issue Date occurs).

4.2 ASX Listing Rule 7.1

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 that 12 month period.

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

4.3 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Consideration Securities to be issued at Settlement is as follows:
 - (i) 220,000,000 Consideration Shares; and
 - (ii) 10,000,000 Performance Shares, which may convert into a maximum of 200,000,000 Shares, where the number of Shares issues upon conversion must have an equivalent value of

\$4,000,000 and based on an issue price per share of the higher of:

- (A) \$0.02; or
 - (B) the 20 day VWAP for Shares calculated over the 20 trading days on which trades in the Company's shares are recorded immediately before a Milestone is satisfied;
- (b) the Consideration Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all those Securities will occur on the same date. The Company has received a waiver to allow it to issue the Consideration Securities no later than 5 months after the date of the Meeting. This waiver is subject to Shareholders approving the issue of the Consideration Securities and other conditions as set out in the Company's announcement of 5 August 2016;
- (c) the Consideration Securities will be issued for nil cash consideration and in satisfaction of the Acquisition;
- (d) the Consideration Securities will be issued to the CYCLIQ Shareholders who are not related parties of the Company (other than as a result of the Acquisition), in consideration for their respective CYCLIQ Shares;
- (e) the Consideration Shares to be 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;
- (f) the Performance Shares to be issued will be issued on the terms and conditions set out in Schedule 1 and the Shares issued upon conversion of the Performance Shares will be fully paid ordinary shares in the capital of the Company; and
- (g) no funds will be raised from the Consideration Securities as they are proposed to be issued in consideration for the Acquisition by the Company of all of the CYCLIQ Shares in accordance with the terms of the Terms Sheet.

4.4 Reasons for the proposed issue of securities

As set out in Section 1.1 of this Explanatory Statement, the reason for the issue of the Consideration Securities to the CYCLIQ Shareholders is as consideration for the Acquisition.

4.5 Date of proposed issue of securities

The Consideration Securities are intended to be issued at Settlement.

4.6 Material terms of proposed issue of securities

The terms upon which the Consideration Shares are to be issued are set out in Section 1.7. The terms upon which the Performance Shares are to be issued are set out in Schedule 1.

4.7 Interests and Recommendations of Directors

None of the current Board members have a material personal interest in the outcome of the Essential Resolutions.

All of the Directors are of the opinion that the Acquisition is in the best interests of Shareholders and, accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Essential Resolutions. The Directors' recommendations are based on the reasons outlined in Section 1.15.

The Directors are not aware of any information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution.

4.8 Advantages and Disadvantages of the Acquisition

Non-exhaustive lists of the advantages and disadvantages of the Acquisition are set out in Sections 1.15 and 1.16 of the Explanatory Memorandum.

5. RESOLUTION 4 – ISSUE OF SHARES TO NOTEHOLDERS

5.1 General

This Resolution seeks Shareholder approval for the issue of 155,000,000 Shares (**Noteholder Shares**) in consideration for the Noteholders agreeing to the cancellation, assignment to the Company or redemption of their Notes.

The Notes were issued in January 2016 to existing CYCLIQ shareholders, who were unrelated parties of the Company, to raise \$2,325,000. The funds raised from the issue of the Notes were used for the general working capital of CYCLIQ so as to allow CYCLIQ to continue its operations until completion of the Acquisition.

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

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

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Noteholder Shares:

- (a) the maximum number of Noteholder Shares to be issued is 155,000,000.
- (b) the Noteholder Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Noteholder Shares will occur on Settlement. The Company has received a waiver to allow it to issue the Noteholder Shares no later than 5 months after the date of the Meeting. This waiver is subject to Shareholders approving the issue of the Consideration Securities and other conditions as set out in the Company's announcement of 5 August 2016;
- (c) the Noteholder Shares will be issued for nil cash consideration in

consideration for the Noteholders agreeing to the cancellation of the Notes, and as such no funds will be raised from the issue;

- (d) the Noteholder Shares will be issued to the Noteholders (and their nominees), who are not related parties of the Company; and
- (e) the Noteholder 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.

6. RESOLUTION 5 – PUBLIC CAPITAL RAISING

6.1 General

This Resolution seeks Shareholder approval for the issue of a minimum of 125,000,000 and up to 250,000,000 Shares at an issue price of not less than 2 cents per Share to raise a minimum of \$2,500,000 and up to \$5,000,000 (the **Public Capital Raising**).

As mentioned in Section 1.4, on 3 August 2016 2016, ASX granted the Company a waiver to enable the Company to undertake the Public Capital Raising at not less than not less than 2 cents per Share. The waiver is conditional upon Shareholders approving the issue price of Shares under the Prospectus Offer at a price of not less than 2 cents per Share and other conditions as set out in the Company's announcement of 5 August 2016.

For the purposes of the Listing Rules, none of the subscribers for the Shares to be issued under this Resolution will be related parties of the Company. However the Company notes Resolutions 6 to 8, which seek approval for the related party participation in the Public Capital Raising.

The Public Capital Raising will be conditional on the following:

- (a) Shareholders passing all of the Essential Resolutions;
- (b) conditional approval being obtained from the ASX to reinstate the securities of the Company to trading on the ASX (after the Company recompiles with Chapters 1 and 2 of the ASX Listing Rules); and
- (c) the Shares to be issued under the Public Capital Raising being issued contemporaneously with Settlement.

Further details of the Public Capital Raising will be set out in the Prospectus.

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of this Resolution will be to allow the Company to issue Shares under the Public Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

6.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Shares to be issued is 250,000,000 Shares;

- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date. The Company has received a waiver to allow it to issue the Shares no later than 5 months after the date of the Meeting. This waiver is subject to Shareholders approving the issue of the Consideration Securities and other conditions as set out in the Company's announcement of 5 August 2016;
- (c) the issue price of the Public Capital Raising Shares is not less than \$0.02 per Share;
- (d) the Shares are proposed to be issued to the applicants under the Public Capital Raising. None of these subscribers will be related parties of the Company;
- (e) 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 on issue; and
- (f) the Company intends to use the funds raised under the Public Capital Raising as set out in Section 1.6.

7. RESOLUTIONS 6 TO 8 – RELATED PARTY PARTICIPATION IN THE PUBLIC CAPITAL RAISING

7.1 General

Pursuant to Resolution 5, the Company is seeking Shareholder approval for the issue of up to 250,000,000 Shares at an issue price of \$0.02 per Share to raise up to \$5,000,000.

Directors, Piers Lewis, Roderick Corps and Gary Roper wish to participate in the Public Capital Raising.

These Resolutions seek Shareholder approval for the in the issue of up to 6,500,000 Shares to Piers Lewis, Rod Corps and Gary Roper (or their respective nominees) arising from the participation in the Public Capital Raising (**Participation**).

7.2 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 Participation will result in the issue of Shares which constitutes giving a financial benefit and Piers Lewis, Roderick Corps and Gary Roper are related parties of the Company by virtue of being Directors.

The Directors (other than Piers Lewis in relation to Resolution 6, Roderick Corps in relation to Resolution 7, Gary Roper in relation to Resolution 8,) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to Piers Lewis, Roderick Corps and Gary Roper on the same terms as Shares issued to unrelated party participants in the Public Capital Raising and as such the giving of the financial benefit is on arm's length terms.

7.3 ASX Listing Rule 10.11

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

As the Related Party Participation involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.4 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 the Related Party Participation:

- (a) the maximum number of Shares to be issued is 6,500,000, being:
 - (i) 1,000,000 Shares to Piers Lewis (or his nominee);
 - (ii) 5,000,000 Shares to Roderick Corps (or his nominee);
 - (iii) 500,000 Shares to Gary Roper (or his nominee);
- (b) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules). The Company has received a waiver to allow it to the Shares to the related party participants no later than 5 months after the date of the Meeting, such waiver being subject to Shareholders approving the issue of the Shares and the other conditions as contained in the Company's announcement of 5 August 2016;
- (c) the issue price of the Shares will be the same as under the Public Capital Raising set out in Resolution 5;
- (d) 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; and
- (e) the funds raised will be used for the same purposes as all other funds raised under the Public Capital Raising as set out in Section 1.6.

Approval pursuant to ASX Listing Rule 7.1 is not required for Resolutions 6 to Resolution 8 as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8. RESOLUTION 9 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

This Resolution seeks the approval of Shareholders for the Company to change its name to “**Cycliq Group Limited**”. The Board proposes this change of name on the basis that it more accurately reflects the proposed operations of the Company following Settlement.

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

The proposed name has been reserved by the Company and if this Resolution is passed, the Company will lodge a copy of the special resolution with ASIC following Settlement in order to effect the change.

9. RESOLUTIONS 10, 11 AND 12– ELECTION OF DIRECTORS

In accordance with clauses 11.11 and 11.12 of the Constitution, the Company may elect a person as a Director by resolution passed at a general meeting.

Resolution 10 seeks approval for the election of Andrew Hagen as a Director of the Company (a **Proposed Director**) on and from Settlement if the Essential Resolutions are approved by Shareholders.

Resolution 11 seeks approval for the election of Kingsley Fiegert as a Director of the Company (a **Proposed Director**) on and from Settlement if the Essential Resolutions are approved by Shareholders.

Resolution 12 seeks approval for the election of Christopher Singleton as a Director of the Company (a **Proposed Director**) on and from Settlement if the Essential Resolutions are approved by Shareholders.

For the Proposed Directors to be eligible for election, the Proposed Directors, or a Shareholder intending to propose their nomination, must leave at the Company's registered office no later than 5 Trading Days after the date of this Notice of Meeting, a written notice from the Proposed Directors consenting to their nomination and signifying their candidature for the office, or a written notice from a Shareholder signifying their intention to nominate the Proposed Directors.

Pursuant to Resolutions 10, 11 and 12, Messrs Hagen, Fiegert and Singleton seek election from Shareholders to be appointed upon Settlement occurring.

9.1 Qualifications

The qualifications and experience of the Proposed Directors is set out below:

Andrew Hagen

Andrew Hagen is the Chief Executive Officer of Federation Enterprises (Trading as Cycliq Products) and has held this position for four and a half years. He has been responsible for creating and developing the business direction, sourcing seed funding, key relationship management, co-developing products, team building and promotion of the brand. Andrew managed early stage sales and established Cycliq's international sales distribution network. Andrew oversees

Cycliq's senior management team including its Australian and international operations. Along with Kingsley Fiegert, Andrew was the inventor of the CYCLIQ product.

Andrew has also worked in the property development industry as a Director of Tuart Properties, a privately held property development business since 2003 and worked as a Development Manager for listed and government owned property development firms such as Brookfield Multiplex, Mirvac, LandCorp, Peet and Cedar Woods over the course of 17 years. Andrew holds a Bachelor of Commerce (Property & Finance).

Kingsley Fiegert

Kingsley Fiegert is the Chief Operations Officer of Federation Enterprises (Trading as Cycliq Products) and has held this position for four and a half years. He has been responsible for product development, shipping and logistics, finance & accounting, co-developing products and manufacturing. Kingsley managed early stage contract manufacturing in multiple locations across Asia and component sourcing. Along with Andrew Hagen, Kingsley was the inventor of the CYCLIQ product.

Kingsley has also worked in the property development industry as a Director of Tuart Properties, a privately held property development business since 2003. Kingsley's responsibilities included managing operations for built form projects and land subdivisions as well as statutory subdivision approvals.

Christopher Singleton

Christopher Singleton is the Managing Director of Minaret Capital.

He has been the Chairman, Managing Director and Executive Director of numerous listed and unlisted groups and has had extensive involvement in acquisitions and divestments, structuring, capital management, capital raisings, listings, spin offs, the acquisition and divestment of assets and restructuring and turn around strategy.

Chris has more than 30 years' corporate experience in marketing and design, change management, telecommunications, technology, FMCG, resources and energy and labour hire/human capital. He has founded, developed, listed and sold businesses across those sectors.

He has advised Australia's largest oil and gas company on Islamic debt issuance and worked with a number of groups on the development of their assets and corporate activity. He has advised technology, resources and energy, resources services, labour hire and ancillary services groups on M&A, capital raisings, efficiency management and general corporate matters.

With a background in design, Chris has worked extensively in developing and executing 'go to market' strategies for both his own businesses and a wide variety of Australian and international groups. That included his role in the mid 2000s in charge of business marketing for one of Australia's largest mobile operators where he oversaw a complete overhaul of the marketing function and introduction of disruptive pricing.

Chris has been a director of the following ASX listed companies: Alliance Gold Ltd (now Alliance Energy) (1999 – 2000); Managing Director of Impress Energy Limited (1998 – 2005); Executive Chairman of mBox Ltd (1999 – 2003) and Director of Thin Technologies LTD (1999 – 2003).

9.2 Other Directorships and Relationships

Messrs Hagen, Fiegert and Singleton have not held any directorships of other publicly listed companies in the last three years, and have no interests, positions, associations or relationships that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

9.3 Independence

If elected the board considers that Christopher Singleton will be an independent director.

9.4 Board Recommendation

The Board supports the election of each of the Proposed Directors and recommends that Shareholders vote in favour of these Resolutions.

These Resolutions are each Essential Resolutions and are subject to the passing of all other Essential Resolutions.

10. RESOLUTION 13 – REPLACEMENT OF CONSTITUTION

11. GENERAL

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

This Resolution is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in November 2007.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating the name of the Company to "Cycliq Group Limited";
- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes

to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6555 2950). Shareholders are invited to contact the Company if they have any queries or concerns.

11.1 Summary of material proposed changes

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Dividends (clause 21)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 35)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company, other than this Acquisition.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

\$ means Australian dollars.

Acquisition has the meaning given at Section 1.2.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Company or **The Company** means Voyager Group Limited (ACN 119 749 647).

Consideration Securities has the meaning given at Section 1.7(a)(i).

Consideration Shares means 220,000,000 Shares to be issued to the CYCLIQ Shareholders at Settlement.

Constitution means the Company's constitution.

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

CYCLIQ means Federation Enterprises (WA) Pty Ltd ACN 119 804 974.

CYCLIQ Noteholder means a holder of a Note.

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

CYCLIQ Shareholders mean a holder of a CYCLIQ Share.

CYCLIQ Technology means as defined in Section 1.2.

Directors means the current directors of the Company.

Essential Resolutions means Resolutions 1 to 5 and 9 to 12 inclusive.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Initial Capital Raising means as defined in Section 1.7(b).

Issue Date means the date that the Performance Shares are issued.

Maximum Subscription means the amount of \$5,000,000.

Minimum Subscription means the amount of \$2,500,000.

Noteholder means a holder of a Note.

Noteholder Shares means the Shares to be issued to the Noteholders.

Notes means the convertible notes held by some of the CYCLIQ Shareholders.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Shares means 10,000,000 performance shares to be issued to the CYCLIQ Shareholders at Settlement on the terms and conditions as set out in this Notice, including Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Public Capital Raising has the meaning given at Section 1.5.

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

Section means a section of the Explanatory Statement.

Security means a Share, Option or Performance Share in the Company.

Settlement means settlement of the Acquisition in accordance with the terms of the Terms Sheet.

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

Shareholder means a registered holder of a Share.

Terms Sheet has the meaning given at Section 1.2.

Trading Day means a day determined by ASX to be a trading day in accordance with the ASX Listing Rules.

Vendors mean the CYCLIQ Shareholders.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE SHARES

1. Terms of Performance Shares

- (a) **(Performance Shares):** Each Performance Share is a share in the capital of the Company.
- (b) **(General Meetings):** The Performance Shares shall confer on the holder **(Holder)** the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company shareholders. Holders have the right to attend general meetings of the Company.
- (c) **(No Voting Rights):** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights under the Corporations Act 2001 (Cth) or the ASX Listing Rules where such rights cannot be excluded by these terms.
- (d) **(No Dividend Rights):** The Performance Shares do not entitle the Holder to any dividends.
- (e) **(Transfer of Performance Shares):** The Performance Shares are not transferable.
- (f) **(No Rights on Winding Up):** Upon winding up of the Company, the Performance Shares may not participate in the surplus profits or assets of the Company.
- (g) **(No Rights to Return of Capital):** A Performance Share does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (h) **(Reorganisation of Capital):** In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.
- (i) **(Application to ASX):** The Performance Shares will not be quoted on ASX. If the Company is listed on the ASX at the time, upon conversion of the Performance Shares into the Company Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Company Shares arising from the conversion.
- (j) **(Participation in Entitlements and Bonus Issues):** Subject always to the rights under item (h) (Reorganisation of Capital), holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of the Company Shares such as bonus issues and entitlement issues.
- (k) **(Amendments required by ASX):** The terms of the Performance Shares may be amended as necessary by the Company board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the ASX Listing Rules,

following such amendment, the economic and other rights of the Holder are not diminished or terminated.

- (l) **(No Other Rights):** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Conversion of the Performance Shares

- (a) **(Milestones):** The Performance Shares convert into Shares as at the date the Company satisfies any one of the following milestones:

- (i) the Company reporting consolidated earnings before interest, tax, depreciation and amortisation of at least \$3,000,000 from the CYCLIQ assets and business and any derivatives thereof; or
- (ii) the Company reporting consolidated revenue of at least \$30,000,000;

(each referred to as a **Milestone**), based on the Company's consolidated audited accounts, provided that the Milestones is satisfied by no later than 30 June of the fourth 4 financial year following the Issue Date (not including the financial year in which the Issue Date occurs).

- (b) **(Conversion of Performance Shares):** In the event a Milestone is satisfied, all of the Performance Shares held by the Holder will convert into Shares and the number of Shares into which each Performance Share is converted shall be equal to:

- (i) the total number of Shares that are issued upon conversion of the Performance Shares (assuming that all Performances Shares are converted), which must have an aggregate value equivalent to \$4,000,000 based a deemed issue price of the higher of:

(A) \$0.02; and

(B) the 20 day VWAP for Shares, calculated over the 20 trading days on which trades in the Company's shares are recorded immediately before a Milestone is satisfied; divided by

- (ii) 10,000,000 (being the total number of Performance Shares issued at Settlement).

- (c) **(Conversion on change of control)** Subject to paragraph (d) and notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:

- (i) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company of not less than the closing price for the Shares on the Trading Day immediately prior to the date on which the bidder statement is issued per Share with the Bidder having received acceptances for more than 50% of the Company's shares on issue and having declared the bid unconditional;

- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) Shareholders approving a transaction for the purposes of Listing Rule 11.2,

that number of performance shares that converts into 10% of the Shares on issue immediately following conversion under this paragraph will convert into Shares. The conversion will be completed on a pro rata basis across each class of performance shares then on issue as well as on a pro rata basis for the holders of performance shares in each class. Performance shares that are not converted into Shares under this paragraph will continue to be held by their respective holders on the same terms and conditions.

- (d) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Share would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) **(General Prohibition)** then the conversion of that Performance Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Share would result in a contravention of the General Prohibition:
 - (i) Holders may give written notification to the Company if they consider that the conversion of a Performance Share may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
 - (ii) The Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph 2(d)(i) within seven days if the Company considers that the conversion of a Performance Share may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.
- (e) **(No Conversion if Milestone not achieved):** Any Performance Share not converted into a Share by 30 June of the fourth 4 financial year following the Issue Date (not including the financial year in which the Issue Date occurs) will be automatically redeemed by the Company for a sum of \$0.0000001 per Performance Share within 10 Trading Days.
- (f) **(After Conversion):** The Shares issued on conversion of the Performance Shares will, as and from 5:00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and, if the Company is listed on ASX at the time, application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.

- (g) **(Conversion Procedure):** The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.
- (h) **(Ranking of Shares):** The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.

ANNEXURE 1 – PRO FORMA BALANCE SHEET

Pro Forma Balance Sheet for Voyager Global Group Ltd				\$5M CAPITAL RAISE			
Voyager Global Group Ltd 30 June 2016	Cycliq 30 June 2016	Subsequent Events ¹	Pro Forma Adjustments ²	Pro forma Adjustments ³	Pro forma Adjustments ³	Pro Forma post transaction 30 June 2016	
ASSETS							
Current Assets							
Cash & Cash Equivalents ^{1, 2}	9,073	747,096	379,337	4,363,125	-	-	5,498,631
Trade & Other Receivables	21,921	-	-	-	-	-	21,921
Stock on Hand	-	42,959	-	-	-	-	42,959
Other Assets	-	197,987	-	-	-	-	197,987
TOTAL CURRENT ASSETS	30,994	988,042	379,337	4,363,125	-	-	5,761,498
Non-Current Assets							
Research & Development	-	128,482	-	-	-	-	128,482
Property, Plant & Equipment	35,953	50,729	-	-	-	-	86,682
TOTAL NON-CURRENT ASSETS	35,953	179,211	-	-	-	-	215,164
TOTAL ASSETS	66,947	1,167,253	379,337	4,363,125	-	-	5,976,662
LIABILITIES							
Current Liabilities							
Trade & Other Payables ^{1, 2}	164,307	155,844	40,000	(136,875)	-	-	223,276
Borrowings	9,664	-	-	-	-	-	9,664
Tax Liabilities	-	36,757	-	-	-	-	36,757
TOTAL CURRENT LIABILITIES	173,971	192,601	40,000	(136,875)	-	-	269,697
Non Current Liabilities							
Borrowings	21,442	-	-	-	-	-	21,442
TOTAL NON-CURRENT LIABILITIES	21,442	-	-	-	-	-	21,442
TOTAL LIABILITIES	195,413	192,601	40,000	(136,875)	-	-	291,139
NET ASSETS	(128,466)	974,652	339,337	4,500,000	-	-	5,685,523
EQUITY							
Capital and Reserves							
Issued Capital ^{1, 2, 3}	72,127,554	3,498,640	379,337	4,700,000	(72,506,891)	758,675	8,957,315
Accumulated Losses ^{1, 3}	(72,256,020)	(2,523,988)	(40,000)	(200,000)	72,256,020	(507,804)	(3,271,792)
TOTAL EQUITY	(128,466)	974,652	339,337	4,500,000	(250,871)	250,871	5,685,523

Notes:

- Funds received from non-renounceable rights issue at a ratio of 1:1 at \$0.02 per VGR Share (18,966,865 shares at \$0.02 cents per share to raise \$379,337) as completed in July 2016. To accrue 10% interest expense on the Convertible Note until completion of the Acquisition.
- Funds received less commission and corporate advisory fees for the Acquisition, less accrued interest on the Convertible Note. This is assuming the Maximum Subscription of \$5,000,000 is raised, less Capital Raising costs of \$500,000.
- Reverse acquisition entries. Recognised goodwill (transaction cost) of \$507,804.
- Performance shares are based on performance milestones of Voyager's audited accounts over the next four years and have therefore not been included in this pro-forma. Costs of Acquisition is deemed to be \$500,000 for a \$5m raise.

Pro Forma Balance Sheet for Voyager Global Group Ltd				\$2.5M CAPITAL RAISE			
	Voyager Global Group Ltd	Cycliq		Pro forma	Pro forma	Pro forma	Pro Forma post transaction
	30 June 2016	30 June 2016	Subsequent Events ¹	Adjustments ²	Adjustments ³	Adjustments ³	30 June 2016
ASSETS							
Current Assets							
Cash & Cash Equivalents ^{1, 2}	9,073	747,096	379,337	2,018,125	-	-	3,153,631
Trade & Other Receivables	21,921	-	-	-	-	-	21,921
Stock on Hand	-	42,959	-	-	-	-	42,959
Other Assets	-	197,987	-	-	-	-	197,987
TOTAL CURRENT ASSETS	30,994	988,042	379,337	2,018,125	-	-	3,416,498
Non-Current Assets							
Research & Development	-	128,482	-	-	-	-	128,482
Property, Plant & Equipment	35,953	50,729	-	-	-	-	86,682
TOTAL NON-CURRENT ASSETS	35,953	179,211	-	-	-	-	215,164
TOTAL ASSETS	66,947	1,167,253	379,337	2,018,125	-	-	3,631,662
LIABILITIES							
Current Liabilities							
Trade & Other Payables ^{1, 2}	164,307	155,844	40,000	(136,875)	-	-	223,276
Borrowings	9,664	-	-	-	-	-	9,664
Tax Liabilities	-	36,757	-	-	-	-	36,757
TOTAL CURRENT LIABILITIES	173,971	192,601	40,000	(136,875)	-	-	269,697
Non-Current Liabilities							
Borrowings	21,442	-	-	-	-	-	21,442
TOTAL NON-CURRENT LIABILITIES	21,442	-	-	-	-	-	21,442
TOTAL LIABILITIES	195,413	192,601	40,000	(136,875)	-	-	291,139
NET ASSETS	(128,466)	974,652	339,337	2,155,000	-	-	3,340,523
EQUITY							
Capital and Reserves							
Issued Capital ^{1, 2, 3}	72,127,554	3,498,640	379,337	2,350,000	(72,506,891)	758,675	6,607,315
Accumulated Losses ^{1, 3}	(72,256,020)	(2,523,988)	(40,000)	(195,000)	72,256,020	(507,804)	(3,266,792)
TOTAL EQUITY	(128,466)	974,652	339,337	2,155,000	(250,871)	250,871	3,340,523

Notes:

1. Funds received from non-renounceable rights issue at a ratio of 1:1 at \$0.02 per VGR Share (18,966,865 shares at \$0.02 cents per share to raise \$379,337) as completed in July 2016.
2. To accrue 10% interest expense on the Convertible Note until completion of the Acquisition.
3. Funds received less commission and corporate advisory fees for the Acquisition, less accrued interest on the Convertible Note. This is assuming the Maximum Subscription of \$5,000,000 is raised, less Capital Raising costs of \$500,000.
4. Reverse acquisition entries. Recognised goodwill (transaction cost) of \$507,804.
5. Performance shares are based on performance milestones of Voyager's audited accounts over the next four years and have therefore not been included in this pro-forma. Costs of Acquisition is deemed to be \$345,000 for a \$2.5m raise.

ANNEXURE 2 – INTELLECTUAL PROPERTY

Federation Enterprises (WA) Pty Ltd - IP Summary at 5 August 2016

Patents

Title: Bicycle Camera

Inventors: Kingsley Fiegert and Andrew Hagen

Country/Jurisdiction	Application Number	Patent Number	Filing Date	Status	Renewal Date	Expiry Date
Australia (provisional)	201390068	N/A	1 Mar 2013	Closed (PCT filed)	N/A	N/A
Patent Cooperation Treaty Designated for: All States	PCT/AU2014/000185	N/A	27 Feb 2014	Completed	N/A	N/A
Australia	2014223307	2014223307	27 Feb 2014	Pending	27 Feb 2018	27 Feb 2034
Australia	2015101126 (Innovation)	2015101126	27 Feb 2014	Certified	27 Feb 2017	27 Feb 2034
Japan	2015-559395	Not yet allocated	27 Feb 2014	Pending	Not yet set	27 Feb 2034
USA	14/770372	Not yet allocated	27 Feb 2014	Pending	Not yet set	27 Feb 2034
United Kingdom	1517181.2	Not yet allocated	27 Feb 2014	Pending	Not yet set	27 Feb 2034

Title: Bicycle Camera

Inventors: Kingsley Fiegert and Andrew Hagen

Country	Application Number	Patent Number	Filing Date	Status	Renewal Date	Expiry Date
Australia	2015900560 (provisional)	N/A	18 Feb 2015	Completed	N/A	N/A
Patent Cooperation Treaty Designated for: All States	PCT/AU2016/050109	N/A	17 Feb 2016	Pending	N/A	N/A

Trade Marks

Mark: FLY6

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1569660	27 July 2013/ 20 Feb 2014	Registered	27 July 2023	Class 9: Cameras; Mounting devices for video cameras; Video cameras; Video cameras combined with video recorders; bicycle mounted video cameras
International (Madrid Protocol) Designated for US and China	1201785	10 Dec 2013	US registered CN refused	10 Dec 2023	Class 9: Cameras; Mounting devices for video cameras; Video cameras; Video cameras combined with video recorders; bicycle mounted video cameras

Mark: CYCLIQ

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1645755	10 Sep 2014/ 9 April 2015	Registered	10 Sep 2024	Class 9: Cameras; Mounting devices for video cameras; Video cameras; Video cameras combined with video recorders; bicycle mounted video cameras
International (Madrid Protocol) Designated for US, EU and China	1256600	13 Feb 2015	Registered	13 Feb 2025	Class 9: Cameras; Mounting devices for video cameras; Video cameras; Video cameras combined with video recorders; bicycle mounted video cameras

Mark: FLY12

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1672549	4 Feb 2015/ 2 Sep 2015	Registered	4 Feb 2025	Class 9: Cameras; Mounting devices for video cameras; Video cameras; Video cameras combined with video recorders; bicycle mounted video cameras

Mark: **FLY 6**

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1771500	12/05/2016	Filed	TBC	Class 9: Cameras; video cameras; cycle cameras; camera mounts; camera mounts for mounting cameras to cycles; video recorders and electronic cameras for recording cycling travel data and information; cameras incorporating GPS data, altimeter, barometer, accelerometer, GPS tracking device; electronic travel information display apparatus; electronic power meters for cycles; mounts for cycle power meter displays; GPS apparatus; mounts for GPS apparatus; combined camera and display screen apparatus for mounting to cycles; mounts for combined camera and lighting apparatus; combined camera and lighting apparatus for mounting to cycles; electronic apparatus for display of cycling location and cycling performance information; downloadable software applications; downloadable software applications providing location tracking and personal training and performance data and information

Mark: **FLY 12**

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1770498	12/05/2016	Filed	TBC	Class 9: Cameras; video cameras; cycle cameras; camera mounts; camera mounts for mounting cameras to cycles; video recorders and electronic cameras for recording cycling travel data and information; cameras incorporating GPS data, altimeter, barometer, accelerometer, GPS tracking device; electronic travel information display apparatus; electronic power meters for cycles; mounts for cycle power meter displays; GPS apparatus; mounts for GPS apparatus; combined camera and display screen apparatus for mounting to cycles; mounts for combined camera and lighting apparatus; combined camera and lighting apparatus for mounting to cycles; electronic apparatus for display of cycling location and cycling performance information; downloadable software applications; downloadable software applications providing location tracking and personal training and performance data and information



Mark:

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1770051	12/05/2016	Filed	TBC	Class 9: Cameras; video cameras; cycle cameras; camera mounts; camera mounts for mounting cameras to cycles; video recorders and electronic cameras for recording cycling travel data and information; cameras incorporating GPS data, altimeter, barometer, accelerometer, GPS tracking device; electronic travel information display apparatus; electronic power meters for cycles; mounts for cycle power meter displays; GPS apparatus; mounts for GPS apparatus; combined camera and display screen apparatus for mounting to cycles; mounts for combined camera and lighting apparatus; combined camera and lighting apparatus for mounting to cycles; electronic apparatus for display of cycling location and cycling performance information; downloadable software applications; downloadable software applications providing location tracking and personal training and performance data and information

Mark: **CYCLIQ**

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1770497	12/05/2016	Filed	TBC	Class 9: Cameras; video cameras; cycle cameras; camera mounts; camera mounts for mounting cameras to cycles; video recorders and electronic cameras for recording cycling travel data and information; cameras incorporating GPS data, altimeter, barometer, accelerometer, GPS tracking device; electronic travel information display apparatus; electronic power meters for cycles; mounts for cycle power meter displays; GPS apparatus; mounts for GPS apparatus; combined camera and display screen apparatus for mounting to cycles; mounts for combined camera and lighting apparatus; combined camera and lighting apparatus for mounting to cycles; electronic apparatus for display of cycling location and cycling performance information; downloadable software applications; downloadable software applications providing location tracking and personal training and performance data and information

Mark: FLY SMART

Country	Application No. / Registration No.	Filing Date / Registration Date	Status	Renewal Date	Classes
Australia	1770499	12/05/2016	Filed	TBC	Class 9: Cameras; video cameras; cycle cameras; camera mounts; camera mounts for mounting cameras to cycles; video recorders and electronic cameras for recording cycling travel data and information; cameras incorporating GPS data, altimeter, barometer, accelerometer, GPS tracking device; electronic travel information display apparatus; electronic power meters for cycles; mounts for cycle power meter displays; GPS apparatus; mounts for GPS apparatus; combined camera and display screen apparatus for mounting to cycles; mounts for combined camera and lighting apparatus; combined camera and lighting apparatus for mounting to cycles; electronic apparatus for display of cycling location and cycling performance information; downloadable software applications; downloadable software applications providing location tracking and personal training and performance data and information

Designs

Title: Bicycle Camera

Authors: Kingsley Fiegert and Andrew Hagen

Country	Application No. / Registration No.	Filing Date	Status	Renewal Date	Expiry Date
Australia	201611767	30 March 2016	Registered	30 March 2021	30 March 2026

APPOINTMENT OF PROXY FORM

VOYAGER GLOBAL GROUP LTD (TO BE RENAMED CYCLIQ GROUP LIMITED)
ACN 119 749 647

GENERAL MEETING

I/We

of:

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

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10.00am (WST), on 9 September 2016 at Suite 6, 295 Rokeby Road, SUBIACO, WA, AUSTRALIA, 6008, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on all Resolutions.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Change to nature and scale of activities – acquisition of CYCLIQ	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Creation of a new class of securities – performance shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Consideration Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Noteholder Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Related Party Participation in Capital Raising – P Lewis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Related Party Participation in Capital Raising – R Corps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Related Party Participation in Capital Raising – G Roper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Election of Director – Andrew Hagen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Election of Director – Kingsley Fiegert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Election of Director – Christopher Singleton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (daytime):

E-mail address:

Consent for contact by e-mail:

YES ☐ NO ☐

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by post to the Company at Suite 6, 295 Rokeby Road, SUBIACO, WA, AUSTRALIA, 6008 so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.