



NOTICE OF ANNUAL GENERAL MEETING

to be held at 11.00am AEST
on Wednesday 18 May 2016
at the offices of Computershare
Level 4, 60 Carrington Street,
SYDNEY NSW 2000

Stockholders who have elected not to receive a printed copy of the Company's
2015 Annual Report may obtain a copy from the Company's website
<https://www.buildingiq.com/the-company-and-product-story/investor-relations/>

Registered Office:
1065 East Hillsdale Boulevard, Suite 310
Foster City, California 94404-1689
USA

Telephone +1 888 260 4080

Notice is hereby given that the Annual General Meeting ("the Meeting") of BuildingIQ, Inc. ("BuildingIQ" or "the Company") will be held at 11.00am AEST on Wednesday, 18 May 2016 at the offices of Computershare, Level 4, 60 Carrington Street, Sydney NSW 2000.

All the material in this Notice of Meeting should be read in conjunction with the Explanatory Notes. Please read the Explanatory Notes carefully. If you have any questions about any part of the business of the Meeting, please consult your professional advisors or the Company Secretary, Mr Rob Goss, on +61 (0)2 9360 0602.

ORDINARY BUSINESS

Consideration of Financial Report

To consider the Financial Report and the reports of the Directors and Auditor for the year ended 31 December 2015.

A vote of stockholders is not required on the annual report or financial statements. However, stockholders and holders of CHES Depositary Interests ("CDIs") will be given the opportunity to ask questions or make comments on the annual report at the meeting.

Election of Directors

Resolution 1 Re-election of Mr. Alan Cameron as a Director

To consider and, if thought fit, pass the following ordinary resolution:

"That Mr. Alan Cameron, being a Director of the Company, retires in accordance with the Company's bylaws and, being eligible, offers himself for re-election, is re-elected as a Director of the Company."

Board recommendation: *the Board, other than Mr Cameron, considers that it is in the best interests of stockholders that Mr Cameron remains on the Board and recommends that you vote IN FAVOUR of Mr Cameron's re-election.*

Resolution 2 Re-election of Ms. Tanya Cox as a Director

To consider and, if thought fit, pass the following ordinary resolution:

"That Ms. Tanya Cox, being a Director of the Company, retires in accordance with the Company's bylaws and, being eligible, offers herself for re-election, is re-elected as a Director of the Company."

Board recommendation: *the Board, other than Ms Cox, considers that it is in the best interests of stockholders that Ms Cox remains on the Board and recommends that you vote IN FAVOUR of Ms Cox's re-election.*

Resolution 3 Re-election of Mr. William Deane as a Director

To consider and, if thought fit, pass the following ordinary resolution:

"That Mr. William Deane, being a Director of the Company, retires in accordance with the Company's bylaws and, being eligible, offers himself for re-election, is re-elected as a Director of the Company."

Board recommendation: *the Board, other than Mr Deane, considers that it is in the best interests of stockholders that Mr Deane remains on the Board and recommends that you vote IN FAVOUR of Mr Deane's re-election.*

Resolution 4 Re-election of Mr. Gerd Goette as a Director

To consider and, if thought fit, pass the following ordinary resolution:

“That Mr. Gerd Goette, being a Director of the Company, retires in accordance with the Company’s bylaws and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

Board recommendation: *the Board, other than Mr Goette, considers that it is in the best interests of stockholders that Mr Goette remains on the Board and recommends that you vote IN FAVOUR of Mr Goette’s re-election.*

Resolution 5 Re-election of Mr. Michael Nark as a Director

To consider and, if thought fit, pass the following ordinary resolution:

“That Mr. Michael Nark, being a Director of the Company, retires in accordance with the Company’s bylaws and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

Board recommendation: *the Board, other than Mr Nark, considers that it is in the best interests of stockholders that Mr Nark remains on the Board and recommends that you vote IN FAVOUR of Mr Nark’s re-election.*

Resolution 6 Re-election of Mr. Ken Pentimonti as a Director

To consider and, if thought fit, pass the following ordinary resolution:

“That Mr. Ken Pentimonti, being a Director of the Company, retires in accordance with the Company’s bylaws and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

Board recommendation: *the Board, other than Mr Pentimonti, considers that it is in the best interests of stockholders that Mr Pentimonti remains on the Board and recommends that you vote IN FAVOUR of Mr Pentimonti’s re-election.*

Other Business

Resolution 7 Approval to issue options to Mr. Michael Nark in accordance with Listing Rule 10.14

To consider and, if thought fit, pass the following ordinary resolution:

“That approval be given for the purposes of ASX Listing Rule 10.14 and all other purposes to allot and issue to Mr. Michael Nark or his nominee 500,000 unlisted options on the following terms:

- i) *Consideration:* Nil;
- ii) *Exercise Price:* \$1.00;
- iii) *Vesting:* Over a four year period with 25% vesting on the one year anniversary and the balance vesting thereafter in monthly increments, except in the case of a takeover of the Company whereby vesting will accelerate 100%;
- iv) *Lapsing of options:* unvested options will lapse where Mr Nark ceases to be an employee of the Company or on the 10th anniversary of the date of grant.”

Board recommendation: *The Board, other than Mr Nark, considers that it is in the best interests of stockholders that the options be issued to Mr Nark as the Board considers the options will act as an incentive to Mr Nark to improve and expand the Company’s operations and enhance the Company’s share price and recommends that you vote IN FAVOUR of the issuance of these options to Mr Nark.*

Resolution 8 Approval of 10% placement facility in accordance with Listing Rule 7.1A

To consider and, if thought fit, pass the following special resolution:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, stockholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.”

Board recommendation: *The Board considers that it is in the best interests of stockholders that the placement facility be approved to enable the Company to undertake strategic transactions that expand the Company's operations, technology, capability or human resources and **recommends that you vote IN FAVOUR** of the placement facility.*

BY ORDER OF THE BOARD

Rob Goss
Company
Secretary

18 April 2016

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

General

The holders of a majority of stock issued and outstanding and entitled to vote on the matter at the meeting, present in person or represented by proxy, shall constitute a quorum.

Each stockholder will have one vote for each share held by that stockholder and in respect of which that stockholder is entitled vote, provided however that CDI holders may participate in a vote on a poll only as described below.

If shares are jointly held and more than one of the joint holders vote, only the vote of the holder whose name appears first in the register of stockholders will be counted.

CHESS Depositary Interests (“CDIs”)

The Australian Securities Exchange Limited (“ASX”) uses an electronic system called CHESS for the clearance and settlement of trades on the ASX. BuildingIQ is incorporated in the State of Delaware in the US, which does not recognise the CHESS system of holding securities. Accordingly, to enable companies such as BuildingIQ to have their securities cleared and settled electronically through CHESS, depository instruments called CDIs are issued. CDIs represent beneficial interests in the underlying Shares and are traded in a manner similar to shares of Australian companies listed on ASX.

Holders of CDIs have a beneficial interest in shares of common stock of the Company but not the legal title.

The Company has structured the CDIs so that one CDI represents one share of BuildingIQ, Inc. The legal title to the underlying shares is held by a depository nominee, CHESS Depositary Nominees Pty Limited (CDN), which is a wholly owned subsidiary of ASX Settlement, which is in turn a wholly owned subsidiary of the ASX.

Who is entitled to attend and vote at the Meeting?

Only those stockholders of record or beneficial owners of shares on 16 April 2016 at 7.00pm (Sydney time) (**Record Date**), will be entitled to vote at the meeting and any adjournment or postponement thereof.

Holders of CDIs on the Record Date are entitled to receive notice of, and attend, the Meeting (or any adjournment or postponement of the Meeting) and may direct CDN on how it should vote with respect to the resolutions set out in this Notice of Meeting by completing the CDI Voting Instruction Form by no later than 11am AEST on 12th May 2016, and submitting it in accordance with the instructions set out on the form.

CDN will calculate the number of votes in favour of each resolution, the number of votes against the resolution, and the number of votes abstaining. CDN shall then appoint two proxies. One of the two proxies shall indicate the number of CDIs in favour of the resolution described in the proxy and the second proxy shall indicate the number of CDIs against the resolution described in the proxy.

Each CDI holder that votes for and against and abstentions each will be counted as present and entitled to vote for purposes of determining whether a quorum is present.

What are my voting rights?

Holders of common stock are entitled to one vote for each share of common stock held as at the Record Date.

Holders of CDIs are entitled to direct CDN to vote one vote for each CDI held by such holder as at the Record Date.

I hold common stock – how do I vote?

If you are a stockholder of record, you can submit a proxy to be voted at the Meeting in any of the following ways:

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

By fax:

+61 3 9473 2555

By email:

sydreturningofficer@computershare.com.au

How do I vote if I hold CDIs?

Each CDI holder as at the Record Date is entitled to direct CDN to vote one vote for every CDI held by such holder. Such CDI holders are entitled to receive notice of and to attend the Meeting and any adjournment or postponement of the Meeting and may instruct CDN to vote the shares underlying their CDIs by following the instructions and returning the enclosed CDI Voting Instruction Form.

Valid voting instructions must be received by Computershare no later than 11am AEST on 12th May 2016. Doing so permits CDI holders to instruct CDN to vote on behalf of the CDI holders at the Meeting in accordance with their written instructions.

What does it mean if I receive more than one printed set of proxy materials?

If you receive more than one printed set of proxy materials, it means that you hold shares or CDIs registered in more than one account. To ensure that all of your shares are voted, please submit proxies or voting instructions for all of your shares.

How can I attend the meeting?

All of our stockholders and CDI holders are invited to attend the Meeting. You may be asked to present valid photo identification, such as a driver's license or passport, before being admitted to the meeting. If you are a CDI holder, you also may be asked to present proof of ownership to be admitted to the Meeting. A brokerage or holding statement or letter from your broker, bank, trust or other nominee are examples of proof of ownership.

Can I vote my shares in person at the meeting?

If you are a stockholder of record, you may vote your shares in person at the Meeting by completing a ballot at the meeting.

Even if you currently plan to attend the Meeting, we recommend that you submit your proxy as described above so your vote will be counted if you later decide not to attend the Meeting. If you submit your vote by proxy and later decide to vote in person at the Meeting, the vote you submit at the meeting will override your proxy vote.

Please refer to "How do I vote if I hold CDIs?" if you are a CDI holder.

What Voting exclusions apply?

In accordance with the ASX Listing Rules, the Company makes the following statement:

The Company will disregard any votes cast on Resolution 7 by:

- a) Mr. Michael Nark; and
- b) Any of his associates (within the meaning of the Corporations Act 2001)

However, the Company need not disregard a vote if:

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

What is the voting requirement to approve each of the resolutions included in the Notice of Meeting?

Resolutions 1 – 6

In respect of Resolutions 1 – 6 (inclusive) it should be noted that the election of Directors is pursuant to Delaware law and BuildingIQ's bylaws. These stipulate that Directors are elected by a plurality of the votes of the shares present in person or represented by proxy at the AGM and entitled to vote.

You may vote "FOR," "AGAINST" or "ABSTAIN" on the election of each of the Directors nominated for election. Abstentions are considered shares present and entitled to vote for purposes of determining quorum, and will be treated as an "AGAINST" vote.

The re-election of each of the Directors nominated for election requires the affirmative vote of a plurality of the shares of common stock present in person or represented by proxy and entitled to vote at the Meeting.

If you do not submit your proxy or voting instructions to your broker, a "broker non-vote" occurs and your shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your shares.

Resolution 7

You may vote "FOR," "AGAINST" or "ABSTAIN" on the proposal to approve the grant of options to Mr Michael Nark, the CEO and President of the Company.

The proposal to approve the grant of options (exercisable, once vested, into one share of common stock per option) to Mr. Michael Nark requires the affirmative vote of the holders of a majority of the shares present in person or represented by proxy at the Meeting and voting on such proposal at the Annual Meeting. Abstentions are considered shares present and entitled to vote and thus will have the effect of a vote "AGAINST" this proposal.

If you do not submit your proxy or voting instructions to your broker, a "broker non-vote" occurs and your shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your shares.

Resolution 8

You may vote "FOR," "AGAINST" or "ABSTAIN" on the proposal to approve, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, the issue of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 (**Placement Facility**).

The proposal to approve the Placement Facility requires the affirmative vote of 75% of the shares present in person or represented by proxy at the Meeting and entitled to vote on this proposal. Abstentions are considered shares present and entitled to vote and thus will have the effect of a vote "AGAINST" this proposal.

If you do not submit your proxy or voting instructions to your broker, a "broker non-vote" occurs and your shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of this proposal. The same result will occur if you do not instruct CDN how to vote your shares.

What questions can be asked at the Meeting?

The Chairman will discuss significant issues raised by stockholders prior to the Meeting and will invite questions and comments from stockholders on these key issues and any other appropriate and relevant matters that stockholders would like to raise at the Meeting.

In addition, a reasonable opportunity will be given to members present at the Meeting to ask the Company's auditor, BDO East Coast Partnership, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor. If you would like to submit a written question to BDO East Coast Partnership before the Meeting, please send your question to the Company Secretary, Rob Goss, at robertg@buildingiq.com before 5.00 pm AEST on 11 May 2016.

If you have a more general issue or question that you would like discussed at the Meeting, please write to the Company Secretary, Rob Goss, at the above address.

How will the Chairman vote as proxy if the stockholder has not directed the Chairman to vote?

If a stockholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on a Resolution then, if that stockholder is entitled to vote on that Resolution, the Chairman will vote in favour of that Resolution.

Will My Shares be Voted if I Do Not Vote?

If your shares are registered in your name or if you have stock certificates, they will not be counted if you do not vote as described above. Therefore, we encourage you to provide voting instructions to your bank, broker or other nominee. This ensures your shares will be voted at the Meeting and in the manner you desire.

A "broker non-vote" will occur if your broker cannot vote your shares on a particular matter because it has not received instructions from you and does not have discretionary voting authority on that matter or because your broker chooses not to vote on a matter for which it does have discretionary voting authority.

Your bank, broker or other nominee does not have the ability to vote your uninstructed shares. Therefore, if you hold your shares in street name it is critical that you cast your vote if you want your vote to be counted. Thus, if you do not instruct your bank, broker or other nominee how to vote, no votes will be cast on that resolution on your behalf.

EXPLANATORY NOTES

These Explanatory Notes have been prepared for the stockholders of BuildingIQ, Inc. to provide information about the items of business to be considered at the Annual General Meeting of stockholders to be held at 11.00 am AEST on Wednesday, 18 May 2016.

If appropriate and if time permits, the Chairman will discuss significant issues raised by stockholders prior to the Meeting (if any) and will invite questions and comments from stockholders on these key issues and any other appropriate and relevant matters that stockholders would like to raise at the Meeting.

If you have a general issue or question that you would like discussed at the Meeting, please write to the Company Secretary, Rob Goss, at robertg@buildingiq.com before 5.00 pm AEST on 11 May 2016.

Consideration of Financial Report

The Company, being a company incorporated in the state of Delaware, United States, is not required to meet the Corporations Act 2001 (Cth) requirements to lay before the meeting the annual financial report and other related reports.

The Board of the Company has however decided to lay before the meeting the Company's financial statements and the reports for the year ended 31 December 2015.

There is no requirement for a vote of stockholders on the reports or statements. However, a reasonable opportunity will be given to stockholders and CDI holders present at the Meeting to ask the Company's auditor, BDO East Coast Partnership, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor. If you would like to submit a written question to BDO East Coast Partnership before the Meeting on any of the foregoing matters, please send your question to the Company Secretary, Rob Goss, at the above address before 5.00 pm AEST on 11 May 2016.

Resolution 1 – Re-election of Mr. Alan Cameron as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Mr. Cameron will retire and seeks re-election.

Alan was a partner in a major law firm for 12 years before becoming Commonwealth Ombudsman in 1991, and was chairman of the Australian Securities Commission (ASC) and its successor, the Australian Securities and Investments Commission (ASIC), from January 1993 to November 2000. Since leaving ASIC in 2000, he has been a company director and a consultant on regulatory projects and governance reviews of various kinds. He is currently chair of Property Exchange Australia Limited, Hastings Funds Management Limited, and various companies in the BT Financial Group, including Westpac's life, general and mortgage insurance companies. He was appointed as a Member of the Order of Australia in 1997, and as an Officer in 2011.

He was appointed to the Board on 14 April 2015. Since then he has been Chairman of the Board and member of both the Audit & Risk Management Committee and the Remuneration Committee.

The Board of Directors (excluding Mr. Cameron) unanimously supports and recommends, the re-election of Mr. Cameron as a Director.

Resolution 2 – Re-election of Ms. Tanya Cox as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Ms. Cox will retire and seeks re-election.

Tanya has more than 20 years' experience as an executive director and 10 years as a non-executive director on boards as diverse as the Australian Paralympic Committee, Cricket NSW Advisory Board and Music & Opera Singers Trust. As the chief operating officer of \$17.6 billion DEXUS Property Group for more than a decade, Tanya oversaw corporate responsibility and sustainability, risk management, marketing and communications, corporate operations and governance, as well as company secretarial practices. Tanya is currently Chair of the Green Building Council of Australia and Equiem Holdings Limited. Tanya is a director of ASX Listed OtherLevels Holdings and is a member of the NSW Climate Change Council.

She was appointed to the Board on 17 August 2015 and is Chair of both the Audit & Risk Management Committee and the Remuneration Committee.

The Board of Directors (excluding Ms. Cox) unanimously supports and recommends, the re-election of Ms. Cox as a Director.

Resolution 3 – Re-election of Mr. William Deane as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Mr. Deane will retire and seeks re-election.

William is a Managing Director of Exto Partners Pty Ltd, a private investment firm based in Sydney. He has successfully managed IPOs, mergers and acquisitions for Exto's portfolio companies. Prior to joining Exto Partners, William was a corporate lawyer in New York with Sidley Austin LLP and Skadden, Arp, Slate, Meagher and Flom LLP, and in Australia with Ashursts (formerly Blake Dawson Waldron). William is also a director of ASX listed RedHill Education Limited.

William joined the Board of BuildingIQ in October 2012 and he is a member of both the Audit & Risk Management Committee and the Remuneration Committee.

The Board of Directors (excluding Mr. Deane) unanimously supports and recommends, the re-election of Mr. Deane as a Director.

Resolution 4 – Re-election of Mr. Gerd Goette as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Mr. Goette will retire and seeks re-election.

Gerd is a Partner at Siemens Venture Capital (SVC) based in Silicon Valley, California. He currently manages SVC's investments in BuildingIQ, ChargePoint, QBotix, Sensys, Sunverge, Tendril and Wirescan. Prior to joining SVC, Gerd was Vice President and Head of CableTV Solutions in Siemens Information and Communication Networks.

Gerd joined the Board of BuildingIQ in December 2012 and is a member of the Remuneration Committee.

The Board of Directors (excluding Mr. Goette) unanimously supports and recommends, the re-election of Mr. Goette as a Director.

Resolution 5 – Re-election of Mr. Michael Nark as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Mr. Nark will retire and seeks re-election.

Michael brings over 25 years of experience in software and technology-enabled service delivery businesses. He recently served as President and CEO of Power Analytics. He has a proven track record of building successful, efficient organisations and experience in leading companies to profitable growth.

Michael was named President & CEO and joined the Board in October of 2014.

The Board of Directors (excluding Mr. Nark) unanimously supports and recommends, the re-election of Mr. Nark as a Director.

Resolution 6 – Re-election of Mr. Ken Pentimonti as a Director

Pursuant to clause 3.3 of the BuildingIQ bylaws and in order to satisfy the requirements of Listing Rule 14.4 Mr. Pentimonti will retire and seeks re-election.

Ken is a Principal at Paladin Capital Group, a multi-stage private equity firm based in Washington, DC. Ken focuses on sourcing, negotiating and monitoring investment opportunities in the renewable energy and cleantech sectors. Prior to joining Paladin, Ken spent six years as an Investment Banker with JPMorgan Chase (and the growth-focused investment bank, Hambrecht & Quist, which was acquired by JPMorgan Chase). While at JPMorgan, he led the execution of over 20 equity offerings, 10 M&A transactions, and various other public and private capital raising transactions.

Ken joined the Board of BuildingIQ in December 2012.

The Board of Directors (excluding Mr. Pentimonti) unanimously supports and recommends, the re-election of Mr. Pentimonti as a Director.

Resolution 7 - Approval to issue options to Mr. Michael Nark in accordance with Listing Rule 10.14

The Company's 2012 Equity Incentive Plan forms part of a long-term incentive scheme, which is described in detail in the Remuneration Report with the 2015 Annual Report. The objective of the scheme is to deliver long-term shareholder value by incentivising executives to achieve sustained financial performance.

The Board conducted a review of the compensation of the President and Chief Executive Officer, Mr. Michael Nark, and considered a range of factors including the recent performance of the Company, his current ownership interest in BuildingIQ and an analysis of market data for comparable roles. This research has culminated in the recommendation that Mr. Michael Nark is issued with a further 500,000 unlisted options in accordance with the terms of the 2012 Equity Incentive Plan.

ASX Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme without the prior approval of stockholders. Accordingly, stockholder approval is now being sought for the purposes of ASX Listing Rule 10.14 and for all other purposes for the grant of options to Mr. Michael Nark, our President and Chief Executive Officer.

In accordance with ASX Listing Rule 10.15 the Company provides the following information in relation to the proposed grant of options to Mr Nark:

- (a) *Issue date:* If approved, the options will be issued as soon as practical after the Meeting and, in any case, no later than 1 year after the Meeting.
- (b) *Issue Price:* The options will be issued for nil consideration.
- (c) *Exercise Price:* The exercise price of the options will be equal to \$1.00 (\$0.75, being the closing price of the CDIs on ASX on 7 April 2016).

- (d) *Vesting of options:* Any vested options will be exercisable; unvested options will not be exercisable. The options will vest over a four year period with the first 25% vesting on the one year anniversary and the balance vesting thereafter in monthly increments. There are no performance conditions or other requirements attaching to the options other than the requirement that Mr. Nark continue be in service to the Company at each relevant vesting date. The vesting will accelerate 100% in the event of a takeover of the Company.
- (e) *Exercise of option:* Upon exercise, each option will entitle Mr. Nark to receive one share of common stock.
- (f) *Lapsing of options:* The options will lapse in circumstances where:
 - Mr. Nark ceases to be an employee or director of the Company; or,
 - the options have not been exercised by the 10th anniversary of the date of grant.
- (g) *No loans:* No loan has been or will be made by the Company to Mr. Nark in connection with the acquisition or exercise of any of the options or the underlying shares of common stock.
- (h) *No prior approvals:* This is the first occasion on which stockholder approval has been sought under Listing Rule 10.14 in respect of the issue of options under the 2012 Equity Incentive Plan.
- (i) *Voting exclusion:* A voting exclusion statement for Resolution 7 is set out on page 6 of this Notice.

The effect of Resolution 7 is to allow the Company to issue these unlisted options to Mr. Michael Nark in accordance with the terms of the 2012 Equity Incentive Plan (as summarised above), which is described in the Company's prospectus and the 2015 Annual Report, without using the Company's 15% annual placement capacity.

The Board of Directors (excluding Mr. Nark) unanimously recommend that stockholders vote in favour of Resolution 7.

Resolution 8 - Approval of 10% placement facility in accordance with Listing Rule 7.1A

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Meeting (the "10% Placement Facility"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity. The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer below).

The Board of Directors believe that Resolution 8 is in the best interests of the Company and unanimously recommend that stockholders vote in favour of this resolution.

Description of Listing Rule 7.1A

Stockholder approval:

The ability to issue Equity Securities (including CDIs) under the 10% Placement Facility is subject to stockholder approval by way of a special resolution at an annual general meeting.

Equity Securities:

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

Formula for calculating 10% Placement Facility:

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

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

A is the number of Shares on issue 12 months before the date of issue or agreement:

- *plus* the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- *plus* the number of partly paid Shares that became fully paid in the 12 months;
- *plus* the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without stockholder approval;
- *less* the number of fully paid Shares cancelled in the 12 months.

Note, that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of stockholders under Listing Rule 7.1 or 7.4.

Listing Rule 7.1 and Listing Rule 7.1A:

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

At the date of this Notice, the Company has on issue 84,281,887 Shares. At present, the Company has a capacity to issue a remaining 12,642,283 Equity Securities under Listing Rule 7.1.

Minimum Issue Price:

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the relevant class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

10% Placement Period:

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

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- the date of the approval by stockholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (10% Placement Period).

Listing Rule 7.1A

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

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

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 Trading Days on which trades in the relevant class were recorded

immediately before:

- i. the date on which the price at which the Equity Securities are to be issued is agreed; or
- ii. if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) If Resolution 8 is approved by stockholders and the Company issues Equity Securities under the 10% Placement Facility, the existing stockholders' voting power in the Company will be diluted. There is a risk that:

- i. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date stockholders provide their approval at the Meeting; and
- ii. the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing stockholders and holders of CDIs on the basis of the current market price of CDIs and the current number of CDIs for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		50% decrease in Issue Price (37.5c)	Issue Price (75c)	100% increase in Issue Price (150c)
Current Variable A	10% Voting dilution	8,428,189	8,428,189	8,428,189
84,281,887 Shares/CDIs	Funds Raised	3,160,571	6,321,142	12,642,283
50% increase in Current Variable A	10% Voting dilution	12,642,283	12,642,283	12,642,283
126,422,831 Shares/CDIs	Funds Raised	4,740,856	9,481,712	18,963,425
100% increase in Current Variable A	10% Voting dilution	16,856,377	16,856,377	16,856,377
168,563,774 Shares/CDIs	Funds Raised	6,321,142	12,642,283	25,284,566

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No options are exercised into common stock before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular stockholder by reason of placements under the 10% Placement Facility, based on that stockholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of CDIs.
- The issue price is \$0.75, being the closing price of the CDIs on ASX on 7 April 2016.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement period. The approval under Resolution 8 for the issue of the Equity Securities will cease to be valid in the event that stockholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- i. non-cash consideration for the acquisition of the new business assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - ii. cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new business assets or investments (including expenses associated with such acquisition) and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy will depend on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- i. the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing stockholders can participate;
- ii. the effect the issue of the Equity Securities might have on the control of the Company;
- iii. the financial situation and solvency of the Company; and
- iv. advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include stockholders and/or new stockholders not related parties or associates of a related party of the Company.

If the Company were to acquire an asset or investment in exchange for Shares, it is likely that the allottee under the 10% Placement Facility would be the vendor of the asset or investment.

- (f) This is the first occasion on which Shareholder approval has been sought under Listing Rule 7.1A.
- (g) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Directors unanimously recommend that stockholders vote in favour of Resolution 8.

