



ASX ANNOUNCEMENT

3 November 2016

NOTICE OF ANNUAL GENERAL MEETING

Regalpoint Resources Limited (ASX: RGU) is pleased to announce that the Notice of Annual General Meeting of shareholders to approve a number of resolutions has been despatched to all shareholders.

The Annual General Meeting will be held at 11.00am (WST) on 5 December 2016 at Cliftons, Parmelia House, Ground Floor, 191 St Georges Terrace Perth Western Australia.

Hardcopies of the Annual Report have been despatched to all shareholders who have requested it. Shareholders who have elected to receive the report in electronic format, will be sent an electronic version of the Annual Report from Security Transfer Registrars.

The Notice of Annual General Meeting and the Annual Report can be located on the Regalpoint Resources Limited website at www.regalpointresources.com.au.

ENDS

For further information, shareholders and media please contact:

Bruce McCracken
Executive Director
+61 8 9424 9320

Fleur Hudson
Company Secretary
+61 8 9424 9320



Regalpoint Resources Limited

ACN 122 727 342

to be renamed

AssetOwl Limited

Notice of Annual General Meeting, Explanatory Statement, and Proxy Form

**Annual General Meeting to be held at Cliftons,
Ground Floor, Parmelia House, 191 St Georges Terrace,
Perth, Western Australia**

On Monday, 5 December 2016 at 11:00am WST

IMPORTANT NOTE

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Important dates

Last day for receipt of Proxy Forms*	11:00am WST on Saturday, 3 December 2016
Eligibility to attend Meeting and vote – snapshot date	5:00pm WST on Saturday, 3 December 2016
Annual General Meeting	11:00am WST on Monday, 5 December 2016

*Proxy Forms received after this time will be disregarded.

Important notices

Certain statements in the Explanatory Statement relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. These statements reflect views only as of the date of the Explanatory Statement. Neither the Company nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in the Explanatory Statement will actually occur and you are cautioned not to place undue reliance on such forward looking statements.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Regalpoint Resources Limited ACN 122 727 342 (**Regalpoint** or **Company**) for 2016 will be held at **Cliftons, Ground Floor, Parmelia House, 191 St Georges Terrace, Perth, Western Australia** on **Monday, 5 December 2016** at **11:00am WST** for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered.

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary of the Explanatory Statement.

Agenda

Receipt of financial statements and reports

To receive and consider the annual financial report, Directors' report and Auditor's report of the Company for the financial year ended 30 June 2016, as contained in the Company's Annual Report for 2016.

Resolution 1: Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2016, as contained in the Company's Annual Report for 2016, be adopted by the Company."

Short explanation: The vote on this Resolution is advisory only and does not bind the Directors of the Company.

Resolution 2: Re-election of Mr Simon Trevisan as a Director

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

"That, for the purposes of ASX Listing Rule 14.4 and clause 58.2 of the Company's Constitution, Mr Simon Trevisan, who retires by rotation in accordance with clause 58.1 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

Resolution 3: Approval of Additional Placement Facility

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities 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 and on the terms and conditions described in the Explanatory Statement."

Note: Resolution 3 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

Resolution 4: Approval of change in nature of the Company's activities

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

"That, subject to the approval of Resolutions 5 to 15, for the purposes of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a change in the nature of its activities by the acquisition of all of the shares in AssetOwl Pty Ltd (ACN 601 135 282) under the Transaction Agreement, in the manner and on the terms and conditions described in the Explanatory Statement."

Short explanation: The Company has entered into the Transaction Agreement with a view to acquiring technology and software development company, AssetOwl. The Company's current primary focus is mineral exploration. This acquisition constitutes a significant change in the nature of the Company's activities. Accordingly, Shareholder approval is being sought.

Resolution 5: Consolidation of Shares

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

"That, subject to the approval of Resolutions 4 and 6 to 15, for the purposes of section 254H of the Corporations Act, ASX Listing Rule 7.20 and for all other purposes, approval is given to consolidate the Company's share capital on the basis that every 10 Shares on issue on the date that is 4 Business Days after this Meeting will be consolidated into 1 Share with all fractional entitlements to be rounded to the nearest Share, in the manner and on the terms and conditions described in the Explanatory Statement."

Resolution 6: Approval to issue Consideration Securities to the Vendors

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

"That, subject to the approval of Resolutions 4, 5 and 7 to 15, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given to issue the following Consideration Securities to the Vendors under the Transaction Agreement (on a post-consolidation basis), in the manner and on the terms and conditions described in the Explanatory Statement:

- (a) 15,000,000 Consideration Shares; and
- (b) 5,000,000 Consideration Options exercisable at \$0.25 on or before 31 March 2019 and otherwise on the terms and conditions set out in Schedule 3."

Resolution 7: Approval to grant Performance Rights to the Vendors

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

"That, subject to the approval of Resolutions 4 to 6 and 8 to 15, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue the following Performance Rights to the Vendors under the Transaction Agreement (on a post-consolidation basis), in the manner and on the terms and conditions described in the Explanatory Statement:

- (a) 15,000,000 Class A Performance Rights on the terms and conditions set out in Schedule 5;

- (b) 7,500,000 Class B Performance Rights on the terms and conditions set out in Schedule 5; and
- (c) 7,500,000 Class C Performance Rights on the terms and conditions set out in Schedule 5.”

Resolution 8: Approval to issue Shares and Options under Capital Raising

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

“That, subject to the approval of Resolutions 4 to 7 and 9 to 15, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given to issue up to the following Securities (on a post-Consolidation basis) pursuant to the Capital Raising, in the manner and on the terms and conditions described in the Explanatory Statement:

- (a) up to 17,500,000 Shares at an issue price of \$0.20 per Share to raise up to \$3,500,000 before costs; and
- (b) up to 8,750,000 free-attaching Capital Raising Options, each exercisable at \$0.40 on or before 30 June 2019 and otherwise on the terms and conditions set out in Schedule 4, on the basis of one Capital Raising Option for every 2 Shares subscribed under the Capital Raising.”

Resolution 9: Approval for Directors to participate in the Capital Raising

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

“That, subject to the approval of Resolutions 4 to 8 and 10 to 15, for the purposes of section 195(4), ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors (or their nominees) to participate in the Capital Raising, and for the Company to issue up to 1,000,000 Shares and up to 500,000 free-attaching Capital Raising Options on the basis of one Capital Raising Option for every 2 Share subscribed, in the manner and on the terms and conditions described in the Explanatory Statement.”

Resolution 10: Approval to issue Options to Patersons Securities as Underwriter

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

“That, subject to the approval of Resolutions 4 to 9 and 11 to 15, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given to issue 11,000,000 Capital Raising Options on the terms and conditions set out in Schedule 4, to Patersons Securities Limited (or its nominees) in consideration for capital raising and underwriting services performed for the Company, in the manner and on the terms and conditions described in the Explanatory Statement.”

Resolution 11: Approval to issue Securities to Transcontinental Investments

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

“That, subject to the approval of Resolutions 4 to 10 and 12 to 15, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Shares and up to 1,625,000 Capital Raising Options to one or more of

Transcontinental Investments Pty Ltd (or its nominees), being a related party of the Company, under the Capital Raising, in the manner and on the terms and conditions described in the Explanatory Statement.”

Resolution 12: Approval to issue Securities to Mr Bruce McCracken as sub-underwriter

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

“That, subject to the approval of Resolutions 4 to 11 and 12 to 15, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 875,000 Shares and up to 729,166 Capital Raising Options to Mr Bruce McCracken (or his nominees), being a related party of the Company, as a sub-underwriter to the Capital Raising, in the manner and on the terms and conditions described in the Explanatory Statement.”

Resolution 13: Appointment of Mr Andrew Lane as a Director

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

“That, subject to the approval of Resolutions 4 to 12 and 13 to 15, for the purposes of clause 56.3 of the Company’s Constitution and for all other purposes, Mr Andrew Lane, having given his consent to act as a Director, is appointed as a Director with effect from completion of the Acquisition under the Transaction Agreement.”

Resolution 14: Approval for change of name

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

“That, subject to the approval of Resolutions 4 to 13 and 15, for the purposes of section 157(1) of the Corporations Act and for all other purposes, approval is given to change the Company’s name to “AssetOwl Limited” with effect from completion of the Acquisition under the Transaction Agreement.”

Note: Resolution 14 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

Resolution 15: Approval to complete transactions

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

“That, for the purposes of section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the directors to complete the transactions as contemplated under Resolution 9 in this Notice.”

By order of the Board



Ms Fleur Hudson
Company Secretary

3 November 2016

Voting Exclusions

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast on the following Resolutions by or on behalf of the following parties and their ‘associates’ (as defined in the ASX Listing Rules).

Resolution	Excluded Party(ies)
Resolution 1	Members of the Key Management Personnel whose remuneration is detailed in the Remuneration Report and their Closely Related Parties.
Resolution 3	Any person who may participate in the Additional Placement Facility and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if the Resolution is passed.
Resolution 4	The Vendors and any person who might obtain a benefit, except solely in the capacity of a holder of a Share, if the Resolution is passed.
Resolution 6	The Vendors as well as 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 Shares, if the Resolution is passed.
Resolution 7	The Vendors as well as 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 Shares, if the Resolution is passed.
Resolution 9	The Directors or any other person who is to receive Securities in relation to the Company.
Resolution 10	Patersons Securities as well as 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 Shares, if the Resolution is passed.
Resolution 11	Transcontinental Investments or any other person who is to receive Securities in relation to the Company.
Resolution 12	Mr Bruce McCracken or any other person who is to receive Securities in relation to the Company.

The Company need not disregard a vote on a Resolution if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form; or
- the Chairperson 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.

In relation to Resolution 1, Members of Key Management Personnel and their Closely Related Parties (other than the Chairperson) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairperson may vote as proxy in accordance with an express authorisation on the Proxy Form

Proxy Appointment and Voting Instructions

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be lodged no later than 48 hours before the time for holding the Meeting, being before **11:00am WST on Saturday, 3 December 2016**, as follows:

By post or hand: Company Secretary, Regalpoint Resources Limited, Level 14, Parmelia House, 191 St Georges Terrace, Perth, Western Australia

By fax: +61 8 9321 5932

By email: enquiry@regalpointresources.com.au

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Appointment of a proxy

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a member of the Company.

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If you appoint the Chairperson as your proxy, he or she can only cast your votes on Resolution 1 (Adoption of the Remuneration Report) if you expressly authorise him or her to do so by marking the box on the Proxy form. If the person you wish to appoint as your proxy is someone other than the Chairperson, please write the full name of that person on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy. A proxy need not be a Shareholder of the Company.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 9424 9320 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Adoption of Remuneration Report) unless you have directed them how to vote or, in the case of the Chairperson, if you expressly authorise him or her.

Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice, the Chairperson intends to vote undirected proxies FOR each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change and in this event, the Company will make an announcement to the market.

Voting eligibility – snapshot date

The Company may specify a time, not more than 48 hours before the Meeting, at which a "snapshot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Directors have determined that all Shares of the Company that are quoted on ASX at **5:00pm WST on Saturday, 3 December 2016** shall, for the purpose of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Defined terms

Capitalised terms used in the Notice and the Explanatory Statement are defined in the Glossary.

Questions from Shareholders

At the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

A representative of BDO Audit (WA) Pty Ltd, as the Auditor responsible for preparing the Auditor's report for the year ended 30 June 2016, will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- 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 financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to any questions that you may have, please submit any questions to the Company by **5:00pm WST on Monday, 28 November 2016** as follows:

By post or hand: Company Secretary, Regalpoint Resources Limited, Level 14, Parmelia House, 191 St Georges Terrace, Perth, Western Australia

By fax: +61 8 9321 5932

By email: enquiry@regalpointresources.com.au

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report for the year ended 30 June 2016. The Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

PART A: SUMMARY OF KEY TRANSACTION INFORMATION

1. Indicative timetable of key events

The table below sets out the indicative proposed timetable for the Proposed Transaction. The dates in the table are indicative only and are subject to change.

Event	Target Date
Despatch Notice of Annual General Meeting	Thursday, 3 November 2016
Lodgement of Prospectus with ASIC	Monday, 7 November 2016
Priority Offer Record Date	Thursday, 10 November 2016
Opening date for Capital Raising	Monday, 14 November 2016
Annual General Meeting / Closing date for Capital Raising	Monday, 5 December 2016
Consolidation of Securities	Friday, 9 December 2015
Satisfaction of ASX re-compliance conditions	Thursday, 15 December 2016
Completion of acquisition under Share Sale and Purchase Agreement and issue of Capital Raising Securities and Vendor Securities	Thursday, 15 December 2016
Securities re-instated to trading on ASX	Monday, 19 December 2016

2. Key information on the Acquisition and associated transactions

Question	Answer	Further details
Information on the Acquisition		
Who is the Acquisition with?	AssetOwl Pty Ltd and the shareholders of AssetOwl (i.e. the Vendors). Neither AssetOwl nor any of the Vendors have any material shareholding interest in the Company.	Sections 7.1, 7.3 and Schedule 2
What is the Acquisition?	The Acquisition is the proposed purchase by the Company of all of the shares in AssetOwl (i.e. the Acquisition Shares) from the Vendors under the	Section 7.3

Question	Answer	Further details
	Transaction Agreement.	
<p>What does AssetOwl do and what is its business strategy?</p>	<p>AssetOwl is an innovative technology and software development company.</p> <p>AssetOwl's primary business arm focuses on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets. It has developed a cloud-based enterprise asset visibility and change software platform for retail site management and analysis (Management Platform) which also has application to other industries. The Management Platform is intended to provide material efficiency and cost savings to the utilisation and management of retail sites.</p>	<p>Sections 7.4(a), 7.4(b) and 7.4(c)</p>
<p>Has AssetOwl registered its key intellectual property?</p>	<p>AssetOwl was granted a provisional patent in Australia for the Management Platform. It subsequently applied for patent protection through the Patent Cooperation Treaty (PCT) process. At the date of this Notice, the PCT application is on-going.</p> <p>Neither the provisional patent nor the PCT application will provide AssetOwl with any enforceable rights in relation to the Management Platform unless and until a full patent is granted.</p>	<p>Sections 7.4(b) and 7.4(g)</p>
<p>What are the key terms of the Acquisition?</p>	<p>The key terms of the Acquisition (as set out in the Transaction Agreement) are as follows:</p> <ul style="list-style-type: none"> • share acquisition: the Company will purchase 100% of the shares in AssetOwl from the Vendors; • initial consideration: the Company will provide the Vendors with the Consideration Securities at completion of the Acquisition (on a post-Consolidation basis); • deferred consideration: the Company will grant the Performance Rights to the Vendors, being performance based deferred consideration; • consolidation: the Company will undertake the Consolidation, being a consolidation of its share capital on a 10:1 basis; • capital raising: the Company will undertake the Capital Raising to raise a minimum of \$2,750,000 (before costs); • change of name: the Company will change its name to "AssetOwl Limited", subject to Shareholder approval; • conditions precedent: the Acquisition is subject to various conditions precedent being satisfied by 31 December 2016, including: <ul style="list-style-type: none"> ○ (Change in nature) the Company obtaining Shareholder approval under the ASX Listing Rules for the change in nature of activities associated with the Acquisition; ○ (Consolidation) the Company receiving Shareholder approval to undertake the 	<p>Section 7.5</p>

Question	Answer	Further details
	<p>Consolidation;</p> <ul style="list-style-type: none"> ○ (Capital Raising) the Company receiving Shareholder approval to undertake the Capital Raising (and subsequently closing and issuing Securities under the Capital Raising); and ○ (ASX re-compliance) the Company complying with the requirements of the ASX Listing Rules and receiving conditional approval from ASX for re-instatement of its Securities to official quotation; • termination for breach: a party may terminate the Transaction Agreement if there is a breach of a material term which is not remedied within 14 days of a request by one of the other parties to do so; and • material adverse change: the Company may terminate the Transaction Agreement if an event occurs which has a material adverse effect on AssetOwl or the Vendors. 	
<p>Why is the Acquisition being proposed?</p>	<p>As a result of the subdued investment activity in the resources sector over recent years, the Company is seeking to diversify its business and pursue new investment opportunities with a view to increasing value for Shareholders. In this respect, the Board has identified the acquisition of AssetOwl as having the potential to create significant value for Shareholders.</p>	<p>Section 7.3</p>
<p>What is the overall effect of the Acquisition on the Company's business?</p>	<p>If the Acquisition is approved and completes, the focus of the Company's primary business activities will change from that of mineral exploration to technology and software development.</p> <p>As this is a significant change in the nature of the Company's activities, ASX requires that the Company:</p> <ul style="list-style-type: none"> • obtain Shareholder approval to undertake such change (i.e. the purpose of Resolution 4); and • re-comply with the ASX admission requirements. 	<p>Section 7.7</p>
<p>What is the effect of the Acquisition on control of the Company?</p>	<p>The Company does not anticipate that the Acquisition will have a material effect on control of the Company.</p> <p>Vendors</p> <p>The Vendors will collectively receive 14,100,000 Shares (i.e. the Consideration Shares) following completion of the Acquisition and the Capital Raising, representing a shareholding interest of between approximately 23.29% on a full subscription basis. Maiden Capital will receive 6% of the total 15,000,000 Consideration Shares to be issued to the Vendors, being equal to 900,000 Shares.</p> <p>Substantial holders</p> <p>The Company does not anticipate that any Vendors will have a substantial holding in Shares after the Acquisition.</p>	<p>Section 7.10</p>
<p>What is the</p>	<p>Please refer to the Pro Forma Statement of Financial</p>	<p>Section</p>

Question	Answer	Further details
financial effect of the Acquisition on the Company?	Position at Schedule 1 for details of the financial effect of the Acquisition.	7.11
What are the risks of the Acquisition?	<p>The following is a non-exhaustive summary of key risks associated with undertaking the Acquisition and AssetOwl's business:</p> <ul style="list-style-type: none"> • Development: As with all new technology, there is an inherent risk that development of the Management Platform may encounter development or operational problems, which require refinement or rectification, and may encounter delays. • Competition: There is a risk that competitors or new entrants to the market may develop new, superior or more cost effective software platforms and service offerings to the Management Platform which could have an adverse effect on AssetOwl's business and financial position. • Commercialisation: While AssetOwl is advanced in the commercialisation of its Management Platform and has received significant interest from potential customers, there cannot be any assurance that AssetOwl will successfully commercialise the Management Platform, or that, if it is commercialised, it will generate ongoing market interest. • Reliance on key personnel: AssetOwl's key management personnel, senior employees and contractors have played an integral part in developing its Management Platform and proprietary technology. AssetOwl's future prospects are reliant in part upon its ability to retain its key personnel. • Patent application: AssetOwl has been granted a provisional patent and filed a PCT patent application, neither of which currently provide any enforceable rights. Its commercial success is partly reliant upon the PCT application being granted in order for AssetOwl to obtain enforceable intellectual property rights. There cannot be any assurance that the PCT application will be granted in the jurisdictions in which AssetOwl applies for protection, or that it will be granted at all. Further, a granted patent may not provide the commercial advantages intended. • Infringement: There is a risk that a third party may claim that AssetOwl's technology (including as set out in the PCT application) infringes that third party's intellectual property rights. AssetOwl has conducted limited due diligence on existing third party intellectual property rights to determine any overlapping technology or potential infringement but has not undertaken an exhaustive review as to do so would be impractical and cost prohibitive. At the date of this Notice, AssetOwl has not been notified 	Section 7.14

Question	Answer	Further details
of any third party claims in this regard.		
What are the possible advantages of the Acquisition?	<p>The following is a non-exhaustive list of the possible advantages of the Acquisition:</p> <ul style="list-style-type: none"> • AssetOwl's business and product present a unique offering with early-mover advantage and an attractive potential revenue model; • it is an investment in an exciting new growth platform for the Company; • it presents an opportunity to create Shareholder value; and • it diversifies the Company's business from a sole focus on mineral resource exploration. 	Section 7.14(b)
What are the possible disadvantages of the Acquisition?	<p>The following is a non-exhaustive list of the possible disadvantages of the Acquisition:</p> <ul style="list-style-type: none"> • for those Shareholders who are focused on resources investments, the Acquisition will shift the Company's business focus to technology which has substantially different drivers to the resources sector; • AssetOwl is in the process of commercialising its business offering and new technology (i.e. the Management Platform) which is subject to inherent developmental and commercial uncertainties, and there cannot be any assurance that it will meet its business targets; • there are very limited synergies between the Company's current business and the AssetOwl business; • the Acquisition will result the shareholding interests of Existing Shareholders being diluted through the issue of the Vendor Securities; and • in light of the change in business focus, the Acquisition may impact on the Company's existing assets and their optimisation. 	Section 7.16
What is the Company's strategy if the Acquisition is not approved?	The Company will continue to maintain its existing resources assets and seek new investment opportunities to create value for Shareholders.	Section 7.17
What do the Directors recommend?	The Directors recommend that Shareholders vote in favour of Resolution 4 to approve the change in nature associated with the Acquisition.	Section 7.19
Information on the Consolidation		
What is the Consolidation?	<p>The Consolidation is a consolidation of the Company's share capital on a 10:1 basis.</p> <p>If Resolution 5 is approved, the Consolidation is expected to occur as at 9 December 2016.</p>	Section 8.1

Question	Answer	Further details									
	<p>The Consolidation will apply to all Security Holders in the Company on an equal basis.</p> <p>If a Security Holder does not hold that number of Securities which can be evenly divided by 10, any fractional entitlements will be rounded to the nearest whole number. This may result in some Securities being rounded down.</p>										
<p>What will be the effect on the capital structure?</p>	<p>The following table sets out the existing and post-Consolidation capital structure of the Company.</p> <table border="1" data-bbox="512 622 1230 846"> <thead> <tr> <th data-bbox="512 629 751 719">Security type</th> <th data-bbox="751 629 975 719">Pre-Consolidation</th> <th data-bbox="975 629 1230 719">Post-Consolidation</th> </tr> </thead> <tbody> <tr> <td data-bbox="512 719 751 779">Shares</td> <td data-bbox="751 719 975 779">270,421,120</td> <td data-bbox="975 719 1230 779">27,042,112</td> </tr> <tr> <td data-bbox="512 779 751 846">Existing Options</td> <td data-bbox="751 779 975 846">101,427,928</td> <td data-bbox="975 779 1230 846">10,142,793</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> <li data-bbox="512 891 1230 981">1. The above table does not include any of the Securities to be issued under the Transaction Agreement or the Capital Raising. <li data-bbox="512 981 1230 1070">2. The above table assumes that other Shares are not issued and Existing Options are not exercised prior to the Consolidation. 	Security type	Pre-Consolidation	Post-Consolidation	Shares	270,421,120	27,042,112	Existing Options	101,427,928	10,142,793	<p>Section 8.3(d)</p>
Security type	Pre-Consolidation	Post-Consolidation									
Shares	270,421,120	27,042,112									
Existing Options	101,427,928	10,142,793									
<p>Why is the Consolidation being undertaken?</p>	<p>The Company will be required by ASX to re-comply with the ASX admission requirements, including that the minimum price of a Share is \$0.20.</p> <p>The Company has been suspended from quotation on ASX since 12 July 2016. At the time of suspension, the price of Shares was \$0.013.</p> <p>The Consolidation is intended to assist the Company, in conjunction with the Capital Raising, to increase the value of a Share to the minimum \$0.20 required for reinstatement to official quotation on ASX.</p>	<p>Section 8.1</p>									
<p>Information on the Capital Raising</p>											
<p>What is the Capital Raising?</p>	<p>The offer under a prospectus of 17,500,000 Shares at an issue price of \$0.20 each to raise \$3,500,000, together with one free-attaching Capital Raising Option (exercisable at \$0.40 on or before 30 June 2019) for every 2 Shares subscribed.</p>	<p>Sections 7.8 and 11</p>									
<p>Is the Capital Raising subject to raising a minimum amount?</p>	<p>The minimum subscription amount is \$3,500,000 through the issue of 17,500,000 Shares.</p>	<p>Section 11.1</p>									
<p>Will Shareholders receive a priority offer?</p>	<p>The Company will set aside up to 5,000,000 Shares (and accompanying free-attaching Capital Raising Options) of the Prospectus Offer for Eligible Shareholders who may subscribe for the greater of 10,000 Shares and the number of Shares that they would receive if under a pro-rata offer.</p>	<p>Section 11.3</p>									

Question	Answer	Further details
Will the Capital Raising be underwritten?	<p>It is proposed that Patersons Securities will underwrite at least the full subscription amount of \$3,500,000 on a conditional basis.</p> <p>Transcontinental Investments has made a firm commitment to subscribe under the Prospectus Offer for \$250,000, subject to Resolution 11 being approved.</p> <p>Further, it is proposed that Mr Bruce McCracken will sub-underwrite up to \$175,000 of the Prospectus Offer, subject to Resolution 12 being approved.</p> <p>Please refer to Section 11.4 for details.</p>	Sections 11.4, 14 and 15
What is the purpose of the Capital Raising and how will the funds be used?	<p>The purpose of the Capital Raising is to:</p> <ul style="list-style-type: none"> • enable the Company to fund final development and the commercial roll-out of the Management Platform through to the commercialisation phase; • fund the costs of patenting the Management Platform; • fund business development and marketing of the AssetOwl business; • maintain the Company's existing resources assets in good standing; • fund corporate overheads and administrative costs of the Company; • provide general working capital for the Company; and • satisfy the ASX re-instatement requirements. 	Sections 7.8, 11.1 and 11.7
What will be the financial effect on the Company?	<p>The primary financial effect on the Company will be to raise \$3,500,000 in new working capital (before costs).</p> <p>These funds will enable the Company to complete the Acquisition and will assist the Company to satisfy the ASX re-compliance requirements.</p>	Section 7.11 and Schedule 1
What will be the effect on the capital structure?	Please refer to Section 7.9 below for the proposed changes to the Company's capital structure.	Section 7.9
What will be the effect on control of the Company?	The Company does not anticipate that the Capital Raising will have a material effect on the control of the Company.	Section 7.10
What are the consequences if the Capital Raising is not approved or does not proceed?	<p>The Company may not be in a position to complete the Acquisition if the Capital Raising is not approved or does not proceed.</p> <p>The Acquisition is conditional upon the Capital Raising closing with applications for at least \$2,750,000. Subject to the Underwriting Agreement with Patersons Securities being finally agreed, the Company anticipates that it will</p>	Sections 7.7 and 7.17

Question	Answer	Further details
	be able to satisfy this requirement.	
<p>Will the Directors participate in the Capital Raising?</p>	<p><i>Proposed participation</i></p> <p>Subject to Resolution 9 being approved, it is proposed that the Directors (or their nominees) will be permitted to participate in the Prospectus Offer and subscribe for up to a total of 1,000,000 Shares in aggregate, on the same terms as the general public.</p> <p><i>Priority Offer</i></p> <p>Notwithstanding Resolution 9, those Directors who are, or control, Eligible Shareholders may also participate in the Priority Offer up to their entitlement under that offer.</p> <p><i>Related party firm commitment</i></p> <p>Subject to Resolution 11 being approved, Transcontinental Investments has made a firm commitment to subscribe for an aggregate of 1,250,000 Shares under the Prospectus Offer.</p> <p>Transcontinental Investments is a related party of Executive Director, Mr Simon Trevisan.</p> <p><i>Related party sub-underwriting</i></p> <p>Subject to Resolution 12 being approved, it is proposed that Mr Bruce McCracken will sub-underwrite up to 875,000 Shares under the Prospectus Offer.</p> <p>Mr McCracken is an Executive Director of the Company and therefore a related party.</p>	<p>Sections 11.3, 11.5, 12 and 14</p>

PART B: INFORMATION ON RESOLUTIONS

3. Receipt of financial statements and reports

The Corporations Act requires the annual financial statements, Directors' report and Auditor's report of the Company for the year ended 30 June 2016 be tabled at the Meeting. These reports are contained in the Company's 2016 Annual Report.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on these reports. However, Shareholders will be given reasonable opportunity to raise questions on these reports and ask questions of the Auditor.

4. Resolution 1: Adoption of Remuneration Report

4.1 Background

The Remuneration Report is set out in the Directors' report which forms part of the Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. Section 250R(3) of the Corporations Act specifies that the vote on Resolution 1 is **advisory only** and does not bind the Directors or the Company.

Accordingly, failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will take the outcome of the vote into consideration when considering the remuneration policy.

4.2 Spill meeting

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the offices of Director are vacated (other than its managing director) and each such office will be put to a vote.

It is noted that at the Company's 2015 annual general meeting the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

4.3 Voting prohibition

Under sections 250R(4) and (5) of the Corporations Act, Key Management Personnel and their Closely Related Parties may not vote on Resolution 1 and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairperson and expressly authorises the Chairperson to exercise the proxy.

The Chairperson will use any such proxies to vote in favour of Resolution 1.

4.4 Directors' recommendation

The Directors decline to make a recommendation on how Shareholders should vote in respect of Resolution 1 as they each hold a material personal interest in the outcome of the Resolution.

5. Resolution 2: Re-election of Mr Simon Trevisan as a Director

5.1 Background

Resolution 2 seeks Shareholder approval for the re-election of Mr Simon Trevisan as a Director.

In accordance with ASX Listing Rule 14.4 and clause 58.2 of the Company's Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are:

- (a) those who have been in office for 3 years since their appointment or last re-appointment;
- (b) those who have been longest in office since their appointment or last re-appointment; or
- (c) if the Directors have been in office for an equal length of time, by agreement.

Mr Trevisan, who is an Executive Director appointed to the Board on 6 February 2007, retires by rotation and, being eligible, offers himself for re-election as a Director.

5.2 Biography

Mr Trevisan is the managing director of the Transcontinental Group of companies, including TRG Properties Pty Ltd. He has significant experience in public and private investments, corporate finance and management of large public and private businesses.

Mr Trevisan has been responsible for the funding and management of a number of public companies and the Transcontinental Group's substantial property investments. His experience includes the establishment and listing of Mediterranean Oil & Gas plc, an AIM listed oil and gas company with production assets and a substantial oil discovery in Italy, as well as the listing of Ausgold Ltd and the Company. Mr Trevisan has also been involved in the relisting on ASX of BMG Resources Ltd and Aurex Consolidated Ltd amongst other ASX-listed companies. Further, he was also responsible for arranging debt funding for the development of in excess of \$500 million of property and significantly involved in arranging and drawing down one of the first foreign bank project facilities for a resources development in Indonesia.

Mr Trevisan was Executive Chairman of Aurex Consolidated Ltd and a founding executive director of both Ausgold Limited and the Company. He has a Bachelor of Economics and a Bachelor of Laws from the University of Western Australia and a Masters Degree in Business and Technology from the University of New South Wales. Mr Trevisan initially practised as a solicitor with law firms Allens Arthur Robinson Legal Group and Parker & Parker in the corporate and natural resources divisions.

Mr Trevisan is currently a director of medical devices company, Australian public company, Neurotech International Limited, ASX-listed Zeta Petroleum plc, ASX-listed BMG Resources Ltd and is a board member of not for profit St George's College Foundation and St George's College Inc.

Mr Trevisan is the chairman of the Company's Nomination and Remuneration Committee and a member of both the Share Trading Committee and the Audit and Risk Committee.

5.3 Directors' recommendation

The Directors (other than Mr Trevisan) recommend Shareholders vote in favour of Resolution 2.

6. Resolution 3: Approval of Additional Placement Facility

6.1 Background

Resolution 3 seeks Shareholder approval for an additional issuing capacity under ASX Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 3 would enable the Company to issue additional Equity Securities (calculated below) over a 12 month period without obtaining Shareholder approval.

Resolution 3 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

6.2 Applicable ASX Listing Rules

ASX Listing Rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting, to have an addition capacity to issue additional Equity Securities issue equal to approximately 10% of its issued capital, over a 12 month period.

The Company is an eligible entity (being an entity with market capitalisation of \$300 million or less and which is not included in the S&P/ASX 300 index) and seeks Shareholder approval under this Resolution for the Additional Placement Facility.

6.3 Information on Additional Placement Facility

(a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being Shares.

However, it is proposed that the Company will seek quotation of the Capital Raising Options if ASX requirements for quotation are satisfied.

(b) Number of Equity Securities that may be issued

ASX Listing Rule 7.1 permits the Company to issue Equity Securities equal to approximately 15% of the Company's issued capital over a 12 month period without shareholder approval.

The Additional Placement Facility under ASX Listing Rule 7.1A is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. The effect of Shareholders passing Resolution 3 is to allow the Company to issue Equity Securities equal to approximately 25% of its issued capital during the next 12 months without first obtaining specific Shareholder approval.

The exact number of additional Equity Securities that the Company may issue under the Additional Placement Facility is not fixed but is calculated under a formula prescribed by the ASX Listing Rules (set out below).

At the date of this Notice the Company has 270,421,120 Shares on issue. If Resolution 3 is passed, the Company will be permitted to issue (as at the date of this Notice) approximately:

- (i) 40,563,168 Equity Securities under the ASX Listing Rule 7.1 15% placement capacity on a pre-Consolidation basis (i.e. 4,056,316 Equity Securities post Consolidation); and

- (ii) 27,042,112 Equity Securities under the Additional Placement Capacity on a pre-Consolidation basis (i.e. 2,704,211 Equity Securities post Consolidation).

(c) **Formula for Additional Placement Facility**

If this Resolution 3 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

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

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

D = 10%; and

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

6.4 **ASX Listing Rule requirements**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

(a) **Minimum price at which Equity Securities may be issued**

The issue price of any Equity Security under the Additional Placement Facility will not be less than 75% of the VWAP for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed; or
- (ii) if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

(b) **Risk of economic and voting dilution**

If Resolution 3 is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and

- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue. All the figures are on a post-Consolidation basis.

Variable A in Listing Rule 7.1A		Nominal issue price			
		\$0.20 (Capital Raising issue price)	\$0.1300 (market price)	\$0.0975 (25% decrease in market price)	\$0.065 (50% decrease in market price)
Current issued capital A = 27,042,112 Shares	Shares issued under LR 7.1A	2,704,211	2,704,211	2,704,211	2,704,211
	Voting dilution	10%	10%	10%	10%
	Funds raised	\$540,842.20	\$351,547.46	\$263,660.59	\$175,773.73
	Economic dilution	N/A	0%	2.27%	4.55%
50% increase in issued capital A = 40,563,168 Shares	Shares issued under LR 7.1A	4,056,316	4,056,316	4,056,316	4,056,316
	Voting dilution	10%	10%	10%	10%
	Funds raised	\$811,263.20	\$527,321,.18	\$395,490.89	\$263,660.59
	Economic dilution	N/A	0%	2.27%	4.55%
100% increase in issued capital A = 54,084,224 Shares	Shares issued under LR 7.1A	5,408,422	5,408,422	5,408,422	5,408,422
	Voting dilution	10%	10%	10%	10%
	Funds raised	\$1,081,684.40	\$703,094.91	\$527,321.18	\$351,547.46
	Economic dilution	N/A	0%	2.27%	4.55%

Maximum subscription A = 60,542,112	Shares issued under LR 7.1A	6,054,211	6,054,211	6,054,211	6,054,211
	Voting dilution	10%	10%	10%	10%
	Funds raised	\$1,210,842.2 0	\$787,047.43	\$590,285.57	\$393,523.71
	Economic dilution	N/A	0%	2.27%	4.55%

Notes: The above table has been prepared on the following bases/assumptions:

1. The 10:1 Consolidation under Resolution 5 will be approved. The price of Shares and the value of A in the table have been adjusted accordingly.
2. The latest available market price of Shares as at the date of the Notice was \$0.013. This price has been adjusted to \$0.13 on a post-Consolidation basis.
3. The Company issues the maximum number of Equity Securities available under the Additional Placement Facility.
4. Existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility.
5. The Company issues Shares only and does not issue other types of Equity Securities (such as Options) under the Additional Placement Facility.
6. The impact of placements under ASX Listing Rule 7.1 or following the exercise of options is not included in the calculations.
7. Economic dilution for the table above is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

MC = market capitalisation prior to issue of Equity Securities, being the MP multiplied by the number of Shares on issue;

MP = the market price of Shares traded on ASX, expressed as in dollars;

NMC = notional market capitalisation, being the market capitalisation plus the NSV;

NSV = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and

TS = total Shares on issue following new Equity Security issue.

(c) **Date by which Equity Securities may be issued**

Equity Securities may be issued under the Additional Placement Facility for 12 months after this Meeting (i.e. until 1 December 2017).

However, the approval to the Additional Placement Facility under this Resolution will cease to be valid in the event that Shareholders 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) **Purpose for which Equity Securities may be issued**

The Company may seek to issue Equity Securities under the Additional Placement Facility for the following purposes:

- (i) cash consideration to fund business growth (including in relation to development of the AssetOwl business following the Acquisition), to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and

- (ii) non-cash consideration to acquire new assets or make investments, provided that in these circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) **Allocation policy**

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under ASX Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

(f) **Additional information on issued securities**

Shareholders previously approved an Additional Placement Facility at the Company's 2015 annual general meeting.

The total number of Equity Securities issued in the 12 months before this Meeting is 304,223,768. This represents 450% of the total number of Equity Securities on issue at the commencement of that 12 month period.

None of the Equity Securities issued in the 12 months before this Meeting were issued under the Additional Placement Facility approved at the 2015 annual general meeting.

The details for each separate issue of Equity Securities issued during the 12 months before this Meeting are as follows:

(i) **Date of issue**

26 April 2016.

(ii) **Number and type of securities issued**

202,815,840 Shares.

101,407,928 Options exercisable at \$0.02 on or before 30 September 2018.

(iii) **Allottee(s)**

Various Shareholders of the Company pursuant to a rights issue conducted in or about March 2016.

(iv) **Issue price(s)**

The Shares were issued for \$0.01 each.

The Options were issued for nil cash consideration as free-attaching Options on the basis of one Option for every 2 Shares subscribed.

(v) **Total cash consolidation**

\$2,028,158 was raised from the issue of Shares. However, the Company did not raise any funds from the issue of the Options.

(vi) **Current value of Options**

The Company applied for quotation of the Options. Applying the trading price of the Options on 11 July 2016 (i.e. the last date that the Company's securities were traded) of \$0.002 each, the Options are valued at approximately \$202,815.86.

(vii) **Use of funds**

As set out in the Company's announcement dated 26 April 2016, the funds raised were used as follows:

- A. a loan to Impact Investment Partners Pty Ltd of \$500,000 (**Impact**);
- B. investigation of opportunities under a memorandum of understanding between the Company and Impact;
- C. conducting exploration and maintaining the tenements at the Paroo Range and Rum Jungle Projects;
- D. paying fees to Transcontinental Investments pursuant to an administration services agreement and repayment of a debt owed by the Company; and
- E. paying outstanding directors fees of \$199,700 to Mr Shane Stone and Mr Ian Murchison.

The Company intends to use the remaining funds for the purposes set out in Section 7.8.

6.5 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3 as it will give the Company the flexibility to raise and fund necessary working capital whilst preserving the Company's cash reserves.

7. Resolution 4: Approval of change in nature of the Company's activities

7.1 **Background**

Resolution 4 seeks Shareholder approval for the Company to undertake a significant change in the nature of its activities.

7.2 Status of the Company

The Company is a public company which was admitted to ASX on 26 May 2011.

The Company currently carries on the business of mineral exploration. It has exploration project interests in Queensland and the Northern Territory, with a primary focus on exploration for uranium deposits.

The Company's Securities were placed into trading halt on 12 July 2016 and were subsequently suspended from quotation at the request of the Company on 14 July 2016 to enable the Company to negotiate and formalise the Terms Sheet for the Acquisition which occurred on 29 July 2016.

The Securities remain suspended from quotation at the date of this Notice and the Company anticipates that they will remain in suspension until the Acquisition is completed and the Company satisfies ASX's re-compliance requirements.

7.3 Background to the Acquisition

The Company was established with a focus on utilising the best available science and exploration techniques to identify large-scale or high grade mineral deposits, particularly uranium.

While the Company has been successful in securing projects in Queensland (Paroo Ridge) and the Northern Territory (Rum Jungle), the market for uranium has remained very challenging particularly since the accident at the Fukushima Nuclear Power Plant in 2011, and investment activity subdued.

The Board has consequently focused on pursuing new investment opportunities with the potential to create significant value for Shareholders, and the Acquisition was identified as meeting this criteria.

The Board considers AssetOwl poses an exciting opportunity for the Company and its Shareholders. The Management Platform is innovative technology which, if successfully commercialised, provides AssetOwl with a unique business offering which has the potential to fundamentally change existing processes for management of assets, properties and projects, and stands to be expanded into workload and resource management.

7.4 Overview of AssetOwl

(a) AssetOwl background

AssetOwl is an Australian proprietary company that was incorporated in August 2014 by co-founders, Tim Brady and Giuseppe Di Franco. Its business provides asset and site management services through its Management Platform software.

The genesis of AssetOwl's business came from the founders' experience in the retail business sector and the issues faced by retailers with large geographically dispersed networks and ageing company assets.

The retail sector is highly competitive causing retailers to continually attempt to find an advantage over their competitors, consequently resulting in an ever evolving and refining store environments and offers to customers. Retailers aim to deliver to each customer the same experience regardless of location. As a retailer's store network grows significantly over time, retailers lose visibility of the standards applied in each individual store and are required to conduct existing conditions reports on their store network at great cost.

The founders identified the high cost associated with retailers gaining visibility of their stores and assets, as well as the resulting impact that delays in visibility have on retailers' speed to market.

The AssetOwl business was conceptualised in November 2013 when Mr Brady sought to devise a better means for delivering asset and site management services to retailers than a traditional 'paper based' audit. He undertook research between January and July 2014 with world leaders in geospatial mapping and virtual tours. Through this process, he was introduced to Mr Di Franco who had experience working with Google and was one of the first members of Google's Business View Program in Australia – a program with the aim to connect businesses with leading Google panoramic technology.

The founders incorporated AssetOwl in August 2014 and conducted scoping sessions between September and November 2014 with key executives from one of the Australia's (and the world's) leading retailers. The scoping sessions resulted in the development of a BETA¹ version of the Management Platform and lodgment of a provisional application for a patent with IP Australia (see Section 7.4(g)(i)).

Based on feedback from unpaid trials and presentations to some of Australia's leading retailers, in July 2015 AssetOwl undertook the development of a minimal viable product (**MVP**) for the initial 3 core modules of the Management Platform: properties, audits and projects. It subsequently filed a patent application with the World Intellectual Property Organisation in September 2015 seeking international registration and protection under the PCT process.

In April 2016, AssetOwl had finalised the MVP for its 3 core modules and entered a paid trial with one of Australia's leading retailers. It subsequently entered further paid trials with other retailers and is in advanced negotiations for the full implementation of the Management Platform.

Further, AssetOwl has recently entered discussions for a paid trial with a leading property asset manager with a view to demonstrating the potential application of the Management Platform to sectors other than retail business.

In May 2016, AssetOwl's Information Security Management System was audited by an independent third party and attained ISO/IEC 27001:2013 accreditation for the design, development and support of cloud based asset management software solutions. AssetOwl's management consider that this provides AssetOwl with a significant competitive advantage as retailer data is closely held and this globally recognised accreditation demonstrates that AssetOwl has the necessary maturity to be trusted with its management.

(b) Target industry

(i) Retail sector

As outlined above, the Management Platform was primarily developed to solve what was initially perceived to be a retail industry problem, that being the loss of visibility of a store network as it grows over time and the varying age profile of each store in the retailers store network.

The retail sector in Australia comprises the following 6 main industry groups (which in turn comprise 28 sub-groups) as identified by the Australian Bureau of Statistics:

- A. food retailing – comprises 6 sub-groups including, supermarkets, liquor and convenience;
- B. household goods retailing – comprises 8 sub-groups including furniture, electrical, hardware and garden supplies;
- C. clothing, footwear and personal accessory retailing;

¹ BETA testing refers to end-user testing to identify problems before commercial release.

- D. departments stores;
- E. other retailing – comprises news agencies, sports and equipment, toys and games, and stationary; and
- F. cafes, restaurants and takeaway food services.²

The size of the Australian retail market is significant when considering the supermarket sub-group. Across the 4 major supermarkets brands in Australia (Aldi, Coles, IGA and Woolworths), there are approximately 4,000 outlets.

AssetOwl has conducted paid trials of the Management Platform with Australian based retailers from a diverse range of classifications and wide ranging store format size (e.g. 100 square metres up to 10,000 square metres), with demonstrated application of its benefits transferring across all classifications and store format size.

The issues Australian retailers face in relation to a lack of visibility of their store networks are not unique to Australia. Retailers globally are faced with the same issues which may in some cases be due to some having significantly larger store networks which may be dispersed across multiple countries.

The size of the market and opportunity in Northern America is best illustrated through understanding the size of the grocery market in the United States which has approximately 293,000 outlets, of which the supermarket subgroup has approximately 25,000 outlets.³

(ii) **Other potential markets**

Through their experience in dealing with retailers, AssetOwl's founders identified that centrally based management structures have inherent issues with gaining and maintaining visibility of assets which are large and diverse in number. This issue is not unique to the retail sector.

AssetOwl has been working with a leading property asset manager since November 2014. It is in advanced discussions to enter a paid trial for several of the manager's Australian based properties to assist the manager to communicate, market, monitor and manage its assets.

The successful completion of this trial is intended to validate AssetOwl's belief that the market for the Management Platform is global and crosses industry classifications.

(c) **AssetOwl business**

As outlined above, AssetOwl's primary business focuses on addressing the issues faced by retailers with large geographically dispersed stores and a large number of aging company assets, such as department stores, supermarkets and hardware chains.

AssetOwl has developed the Management Platform which is a software platform primarily aimed at use by retail businesses for site management and analysis, but which also has potential application for other industries such as property management.

² Australian Bureau of Statistics, Retail Trade, Australia, July 2016, <<http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/8501.0Main%20Features3Jul%202016?opendocument&tabname=Summary&prodno=8501.0&issue=Jul%202016&num=&view=>>

³ Euro Monitor International, Retailing in the US Report, Grocery Retail Outlines by Channel: Units 2009-2014, January 2016.

The Management Platform is intended to provide material efficiency and cost savings to the utilisation and management of retail sites.

The Management Platform competes with existing software solutions for auditing and asset management. However, AssetOwl has significantly differentiated its offering in the marketplace by using integrated systems which include virtual tours, floor plan, imaging, user interface, reporting and data visualisation (this forms the basis of AssetOwl's patent application discussed at Section 7.4(g)(i)). This provides customers with the ability to reduce costs of gathering asset data as well as enabling them to more effectively make decisions and execute actions based on that information.

The Management Platform also delivers seamless information sharing capabilities to further increase the value of information.

The Management Platform has been under development for more than 2 years. Over the past 12 months, AssetOwl has moved from a BETA to an MVP in a production setting. It is currently being used by customers on a trial basis for business operations.

AssetOwl's development of new features and modules is driven by real user behaviour and feedback. The licensing of the Management Platform enables AssetOwl to monitor how its customers gain value from the platform. With this understanding along with gathered feedback, its product road map is focussed on increasing client value.

AssetOwl has developed significant traction with potential customers and near-term geographic and industry expansion potential. By way of example:

- (i) the Management Platform has been operated by several major Australian retailers under paid trials;
- (ii) contract negotiations are underway and advanced with several major Australian retailers;
- (iii) the Management Platform is a product which is readily and easily transferable to global retail markets and across a large number of retailing sub-sectors;
- (iv) AssetOwl has identified target customers which have existing relationships to its management in the United Kingdom and the United States of America; and
- (v) discussions for paid trials of the Management Platform are advanced with a leading property asset manager.

AssetOwl intends to successfully implement and roll-out the Management Platform with several large reputable Australian retailers before implementing a targeted international strategy.

AssetOwl has also invested in developing its internal systems and technology and has attained accreditation under International Organization for Standardization ISO27001, the industry standard for information security management systems.

(d) **Proposed revenue model**

AssetOwl's proposes to focus on three primary revenue streams.

The first involves the initial implementation service whereby AssetOwl captures, processes and delivers a virtual tour of each asset, property or project for the customer. A one-off implementation fee is to be charged for this service.

The second focus involves the provision of the Management Platform to the customer on a licence basis (i.e. 'software-as-a-service' or 'SaaS'). An annual licence fee is to

be charged for each store/location (or floor on a multi-level store/location) at which the Management Platform is used by the customer.

Finally, AssetOwl will charge a re-imaging fee if a customer requests that a property/store be re-captured, processed and delivered into the Management Platform.

(e) **Management Platform**

The Management Platform is a cloud-based enterprise asset visibility and change software platform that is intended for use in retail site management and analysis. AssetOwl has combined Geographic Information Systems (GIS) and Virtual Reality (VR) technologies to develop an Internal Visualisation System (IVS) which provides centrally based management with the ability to visualise the interior and existing condition of a large and geographically dispersed store network from their office. They can also organise, manage and measure the success of change.

The Management Platform includes 3 core modules to assist users to visualise, question, direct, analyse and interpret data within the four walls of each property and collectively across all properties within a network. The current core system modules for the Management Platform, which are in the production deployed phase, are:

(i) **Audits**

The audits module enables management of small and large-scale asset audits, including collation of information, monitoring of staff progress, easy access to information compiled and allocation of the information to floor plan locations. Organisations can gather reliable, comparable and reportable data on their assets.

Audits can be designed and assigned to multiple properties. The corresponding results (which include map and virtual tour references, images from devices and a range of text based types) are continuously visible within the platform, prompting re-use and further cost reduction.

(ii) **Properties**

The properties module enables access to photographs of properties/stores and virtual tours to the interior and exterior of stores/properties, with a view to checking asset locations, assisting with auditing and monitoring store condition (including presentation and displays) so as to provide complete visibility of all properties.

Virtual tours enable platform users to step into a store and look at all parts of the store/property. The tours include high-definition panoramic images, all mapped to a floor plan with bays and modules.

Platform users can ask questions linked to the virtual tour or floor plan which on-site operators can receive on a mobile device (e.g. a mobile phone or tablet device). The on-site operators can also respond with images taken on the device.

The ability to effectively communicate and share information about assets means that organisations can reduce costs associated with travelling to store/property locations to gather and maintain information about assets.

(iii) **Projects**

The projects module enables management (including creating, scoping, rolling-out and tracking progress) of projects against assets with on-site teams submitting task information and updates via mobile applications.

The module allows organisations to manage change throughout their stores/properties. Managers can define activities and assign them to numerous locations. The module tracks completion and provides reporting on results.

Project results that can be submitted include images, floor plan and virtual tour references and textual data is available in raw and aggregated reports. These reports can be shared throughout the organisation, making the information easily actionable.

The Management Platform also has functionality for the augmentation of additional modules. In this respect, AssetOwl has identified the following as potential further modules for the platform:

- **defects:** real-time identification and triage of asset issues;
- **planner:** a diary of planned activities for each store/property;
- **merchandising:** a tool to assist in the automation of plan-o-gram compliance;
- **facilities management:** a tool to assist in the proactive and reactive maintenance of assets; and
- **asset management:** a tool to assist in maintaining an accurate record of all assets.

The Management Platform has undergone extensive customer testing and paid trials. The platform is in the final phase of development before being rolled-out to customers. AssetOwl has received significant interest from multi-site retail businesses, including department stores, supermarkets and hardware stores.

(f) **AssetOwl directors and management**

(i) **Mr Giuseppe Di Franco – Executive Director and Chief Executive Officer**

Mr Di Franco is a passionate technologist with broad industry experience in software development and information technology. He previously worked with Google as part of its Business View program from inception in Australia before co-founding AssetOwl.

At AssetOwl, Mr Di Franco leads the teams developing the web and mobile applications, robotic hardware and vision systems which have successfully built an ISO 27001 certified enterprise solution and developed hardware for high speed data acquisition.

(ii) **Mr Andrew Lane – Non-Executive Director**

Mr Lane is a Certified Practising Accountant and Chartered Tax Advisor. He is currently the managing director of Matrix Partners, Tax and Business Advisors, having been made a director in 1991.

Mr Lane specialises in the area of taxation and has professional expertise in strategic planning and business consultancy. Over the last 30 years, he has had considerable experience in public practice, including as a company secretary of an ASX-listed company. During this time he has offered consultancy advice to a wide range of corporate businesses including IT, mining services, property, building, wholesale, sporting, financial services, transport and high net worth individuals.

Mr Lane has held, and continues to hold, non-executive director and advisory board positions. Other than AssetOwl, has been involved with Access Group Pty Ltd since 2002 and was subsequently appointed chairman in March 2009.

Mr Lane's holds a Bachelor of Business degree from Edith Cowan University. He has also completed the Certified Practising Accountants Programme at Deakin University and is a holder of a Public Practice Certificate. He is a member of the Australian Institute of Company Directors, the Australian Society of Certified Practising Accountants and a Fellow Member of the Taxation Institute of Australia.

(iii) **Mr Christopher Indermaur – Non-Executive Director**

Mr Indermaur has over 30 years' experience in commercial, engineering and directorship roles with Australian public and private companies. He is currently the chairman of Medibio Ltd, the chairman of Poseidon Nickel Ltd and a director of Austin Engineering Limited. He was previously the engineering and contracts manager for QNI Nickel Refinery at Yabulu, company secretary for QAL and general manager for strategy and development of Alinta Ltd.

Mr Indermaur holds a Bachelor of Engineering (Mechanical) and a Graduate Diploma of Engineering (Chemical) from the West Australian Institute of Technology (now Curtin University). He also holds a Bachelor of Laws and a Master of Laws from the Queensland University of Technology and a Graduate Diploma in Legal Practice from the Australian National University.

(iv) **Mr Timothy (Tim) Brady – Consultant and Co-Founder**

Mr Brady is a consultant and a co-founder of AssetOwl, formerly acting as its managing director. He has a Bachelor of Commerce from Murdoch University and has strong strategic business development experience with a particular focus on the retail business sector.

Mr Brady is currently engaged by AssetOwl as a consultant in relation business development, strategy and operations.

(g) **AssetOwl's intellectual property**

(i) **Patent application**

AssetOwl (under its former name, Asset View Pty Ltd) filed a provisional application (number 2014903851) for a patent in Australia in relation to the Management Platform on 26 September 2014.

A provisional application establishes the priority date for a patent (i.e. the date from which the patent is in effect), provided that a full patent application is filed within 12 months from the filing date of the provisional application.

In practical terms, the provisional application related to:

- A. the business process of AssetOwl's existing business modules (i.e. properties, audits and projects);
- B. method for geolocation and processing of imagery; and
- C. mobile geolocation method for updated imagery.

AssetOwl subsequently filed a patent application with the World Intellectual Property Organisation (PCT/AU2015/050579) on 28 September 2015⁴

⁴ Whilst the application appears to be 2 days outside of the 12 month filing period, the priority claim is still valid as Article 4C(3) of the *Paris Convention for the Protection of Industrial Property* provides that if the last day of the priority period is an official holiday or day when the receiving patent office (i.e. the Australian Patent Office) is not open for filing applications, the period is extended to the next working day. 26 September 2015 was a Saturday and the next business day was Monday, 28 September 2015.

seeking international registration and protection under the Patent Cooperation Treaty (PCT) process.

In summary, the PCT process enables an applicant to seek patent protection simultaneously across the PCT member states rather than making separate applications in each jurisdiction.

At the date of this Notice, the PCT application is pending. AssetOwl has until 26 March 2017 to file its national phase entry under which it must specifically nominate the jurisdictions (i.e. countries) in which it wishes to register the patent. AssetOwl currently intends to seek patent protection in Australia, Canada, China, the European Union and the United States of America, and is also considering additional countries.

Neither the provisional patent nor the PCT patent application will provide AssetOwl with any enforceable rights in relation to the claims to which they relate unless and until a full patent is granted.

(ii) **Trade secrets and know-how**

AssetOwl's activities have resulted in the generation of technical information and knowledge having significant commercial benefit and value to AssetOwl. Some of this information and knowledge is protectable as, or forms the basis for obtaining, registrable intellectual property rights (for example, patents).

However, information that is not protectable via registrable intellectual property rights may be retained internally by AssetOwl as trade secrets and protected (to a certain extent) as confidential information.

AssetOwl takes steps to protect and maintain the confidentiality of this non-registrable information including, without limitation, entering into binding confidentiality agreements with third parties and having appropriate protections in employment/contractor agreements with staff.

7.5 **Summary of Transaction Agreement**

The key terms of the Acquisition (as set out in the Transaction Agreement) are as follows:

Subject	Term
Form of transaction	The Company will purchase 100% of the shares in AssetOwl from the Vendors.
Initial consideration	<p>The Company must provide the Vendors with the following initial consideration at completion of the Acquisition (on a post-Consolidation basis):</p> <ul style="list-style-type: none"> • 15,000,000 Shares; and • 5,000,000 Options exercisable at \$0.25 each on or before 31 March 2019 (i.e. the Consideration Options).
Deferred consideration	<p>The Company must provide the Vendors with deferred consideration (Deferred Consideration) comprising the following (on a post-Consolidation basis):</p> <ul style="list-style-type: none"> • 15,000,000 Class A Performance Rights; • 7,500,000 Class B Performance Rights; and • 7,500,000 Class C Performance Rights. <p>Each class of Performance Rights is intended to provide consideration valued at \$3,000,000 and will vest subject to satisfaction of applicable milestones which relate to the financial</p>

Subject	Term
	performance, operations and expansion of the AssetOwl business over 3 years following the Acquisition (see Section 10.2).
Conditions precedent to completion	<p>The Acquisition is subject to conditions precedent being satisfied by 31 December 2016, including:</p> <ul style="list-style-type: none"> • (change in nature of activities) the Company obtaining shareholder approval under the ASX Listing Rules for the change in nature of activities associated with the Acquisition - the subject of Resolution 4; • (Consolidation) the Company receiving shareholder approval to undertake the Consolidation – the subject of Resolution 5; • (Capital Raising) the Company receiving shareholder approval to undertake the Capital Raising (and subsequently closing and issuing shares under the Capital Raising) – the subject of Resolution 9; and • (ASX re-compliance) the Company complying with the requirements of the ASX Listing Rules and receiving conditional approval from ASX for reinstatement of its securities to official quotation on ASX.
Escrow of Vendor Securities	<p>The Vendor Securities to be issued to the Major Vendors will be subject to voluntary escrow for 12 months. During this time, the Major Vendors will be restricted from transferring, selling, assigning or mortgaging their respective Vendor Securities.</p> <p>However, the Company must reasonably consider a request by the Major Vendors to release a portion of the escrowed Vendor Securities after 6 months escrow.</p> <p>The Vendor Securities of the Minor Vendors will not be subject to any voluntary escrow.</p>
Adjustments	<p>Following completion of the Acquisition, BDO Australia will be engaged as an independent accountant to review and finalise a statement of the financial position of AssetOwl at completion.</p> <p>If the net indebtedness of AssetOwl is greater than \$140,000 (subject to certain exceptions), this excess amount may be off-set against the Deferred Consideration.</p> <p>A further review will be conducted by BDO Australia after AssetOwl receives its anticipated R&D tax rebate receivable for the 2016/17 financial year.</p> <p>If the actual net indebtedness is greater than \$140,000 (subject to certain exceptions) or the actual R&D tax rebate receivable is less than the estimate made by AssetOwl's accountants immediately prior to completion of the Acquisition, these amounts may be off-set against the Deferred Consideration.</p>
Consolidation	<p>The Company will undertake a consolidation of its share capital on a 10:1 basis such that every 10 Shares will consolidate into one Share (i.e. the Consolidation).</p>
Capital raising	<p>Following the Consolidation, the Company will issue a prospectus to raise a minimum of \$2,750,000 in new working capital (i.e. the Capital Raising) through the issue of Shares at an issue price of not less than \$0.20 each.</p> <p>Each applicant will also be entitled to receive one free-attaching Option exercisable at \$0.40 on or before 30 June 2019 (i.e. a Capital</p>

Subject	Term
	Raising Option) for every 2 Shares subscribed.
Underwriting	<p>Patersons Securities and/or a Transcontinental Group company are to be engaged to underwrite at least \$2,750,000 of the Capital Raising.</p> <p>AssetOwl must use its best endeavours to introduce potential investors to Patersons Securities to the lead managers or the underwriters resulting in applications being made to the value of at least \$1,500,000. In light of the underwriting commitment by Patersons Securities, this obligation is redundant.</p>
Change of name	The Company will seek shareholder approval to change its name to "AssetOwl Limited".
Restructure and/or realisation of exploration assets	The Company may, at its discretion, look to restructure its existing exploration and resources assets into a wholly owned subsidiary company. It may also seek to realise these assets for the benefit of Shareholders (excluding the Vendors) by way of sale or otherwise.

The Transaction Agreement otherwise contains terms and conditions that are considered standard for an agreement of that nature.

7.6 Proposed changes to Board and management

After completion of the Acquisition, Mr Giuseppe Di Franco will become Chief Executive Officer of AssetOwl and will be responsible for its day-to-day management.

Further, it is proposed that Mr Andrew Lane will become a Non-Executive Director of the Company. AssetOwl may also nominate one further Non-Executive Director, but it has not done so at the date of this Notice.

Biographies for each of Mr Di Franco and Mr Lane can be found in Sections 7.4(f)(i) and 7.4(f)(ii).

Other than the above change, it is anticipated that the current members of the Board will remain following the Acquisition.

7.7 Change in nature of activities

The Company's business operations currently focus on mineral exploration. However, after the Acquisition, the primary focus of the Company's operations will be the AssetOwl business (i.e. a technology and software development business).

This change constitutes a significant change in the nature of the Company's activities for the purposes of ASX Listing Rule 11.1.

ASX requires that the Company seek Shareholder approval to undertake the Acquisition and effect the change in nature. Accordingly, such approval is sought under Resolution 4.

In addition, ASX has exercised its discretion under ASX Listing Rule 11.1.3 to require the Company to re-comply with the admission requirements in Chapters 1 and 2 of the ASX Listing Rules.

The Company requested a trading halt from ASX on 12 July 2016, and subsequently requested voluntary suspension of its Securities on 14 July 2016. The Board anticipates that the Company's Securities will remain suspended from quotation until the Acquisition completes and the Company satisfies the ASX admission requirements.

7.8 Capital Raising and proposed use of funds

The Company will seek to raise \$3,500,000 in new working capital through the issue of 17,500,000 Shares at an issue price of not less than \$0.20 each under a prospectus (**Capital Raising**). For every 2 Shares subscribed, an applicant will be entitled to receive a free-attaching Capital Raising Option exercisable at \$0.40 on or before 30 June 2019.

The Company intends to use its current funds of approximately \$750,000 cash on hand, and the funds raised from the Capital Raising assuming full subscription, as follows:

	Full subscription (\$3,500,000)
Funds available	
Cash on hand	\$750,000
Funds from the Offers	\$3,500,000
Total funds available	\$4,250,000
Use of funds	
<i>AssetOwl business</i>	
Software development	\$1,550,000
Business development and marketing	\$350,000
Patent costs	\$100,000
<i>Resources business</i>	
Maintenance of exploration project tenements	\$300,000
<i>Common business matters</i>	
Costs of the Acquisition, Capital Raising and ASX re-compliance	\$350,000
Corporate overheads and administrative costs	\$600,000
General working capital	\$1,000,000
Total	\$4,250,000

Notes:

1. Working capital costs comprises the Company's administration and overhead costs, and include operating expenses, accounting costs, auditing costs, insurance costs, legal costs, share registry costs, Directors' fees, ASX fees and regulatory compliance costs and expenses.
2. The stated use of funds is current as at the date of this Notice. The use of funds may change depending on any intervening events or changes in the Company's circumstances. The Board reserves the right to change the way funds are used and applied.

7.9 Effect on capital structure

The table below sets out the proposed capital structure of the Company following completion of the Acquisition and Capital Raising. The figures in the table are indicative only and are subject to change.

Holder	Shares ¹	Existing Options	Consideration Options	Capital Raising Options	Performance Rights ²
Existing Securities (pre-Consolidation)					
Existing security holders	270,421,120	101,427,928	Nil	Nil	Nil
Securities after Acquisition and Capital Raising (post-Consolidation (10:1))					
Existing Regalpoint shareholders	27,042,112	10,142,793	Nil	Nil	Nil
Vendors	15,000,000	Nil	5,000,000	Nil	30,000,000
Capital Raising investors	17,500,000	Nil	Nil	8,750,000	Nil
Patersons Securities	Nil	Nil	Nil	11,000,000	Nil
Advisors / promoters	1,000,000	Nil	Nil	Nil	Nil
TOTAL	60,542,112	10,142,793	5,000,000	17,500,000	30,000,000

Notes:

1. The above table assumes that other new Shares are not issued.
2. Performance Rights comprise Class A, Class B and Class C Performance Rights on the terms outlined in this Notice.
3. The Vendors will nominate their corporate advisor, Maiden Capital Pty Ltd, to receive 6% of the securities to be provided to the Vendors by the Company as consideration for the Acquisition.
4. The Capital Raising Options to be issued to Patersons Securities may be allocated by Patersons Securities to sub-underwriters or investors who provide a firm commitment to subscribe under the Capital Raising.

7.10 Effect on control

(a) Vendors

The Company does not anticipate that the Acquisition will, of itself, have a material effect on control of the Company.

The Vendors will collectively hold 14,100,000 Shares (i.e. the Consideration Shares) following completion of the Acquisition and the Capital Raising, excluding the portion of the Consideration Shares to be provided to Maiden Capital. This represents a shareholding interest of approximately 23.29% on a full subscription basis.

In addition, the Vendors will receive Consideration Options and Performance Rights (excluding the portion to be provided to Maiden Capital) which collectively may result in the Vendors being issued up to a maximum of 32,900,000 additional Shares.

If all Consideration Options were exercised and all the Performance Rights vested, the Vendors would collectively hold 47,000,000 Shares. This would represent approximately 50.30% based on full subscription under the Capital Raising.

The Company is not aware of any relationship or arrangement between any of the Vendors that may result in them being “associates” for the purposes of the Corporations Act such that their relevant interests in Shares would be aggregated.

(b) **Substantial holders**

A “substantial holding” under the Corporations Act means a relevant interest in 5% or more of the votes attaching to voting shares.

The Company does not anticipate that any of the Vendors will have a substantial holding in Shares following completion of the Acquisition and the Capital Raising. However, the Majors Vendors may acquire a substantial holding if their Consideration Options are exercised and/or their Performance Rights vest.

7.11 **Effect on financial position**

Schedule 1 sets out an unaudited statement of financial position for the Company as at 30 June 2016 and a pro forma unaudited statement of financial position incorporating the effect of the Acquisition and Capital Raising on the Company (**Pro Forma**).

The Pro Forma has been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro forma assets and liabilities of the Company, with a view to demonstrating the anticipated effect of the Acquisition and the Capital Raising on the financial position of the Company.

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

7.12 **Substantial holdings**

A “substantial holding” under the Corporations Act means a relevant interest in 5% or more of the votes attaching to voting shares (i.e. control 5% or more of the voting shares).

The table below sets out the Existing Shareholders who have a substantial holding and those persons that the Company anticipates will have a substantial holding following completion of the Acquisition and the Capital Raising.

Name	Current holding (pre-Consolidation)	Current percentage interest	Post-Acquisition holding (post- Consolidation)	Post- Acquisition percentage interest – full subscription
Transcontinental Investments Pty Ltd	68,831,928	25.45%	9,405,693	15.53%
Chesapeake Capital Ltd	26,830,207	9.92%	3,179,021	5.25%
TOTAL	95,662,135	35.37%	12,584,714	20.78%

Notes:

1. The table above assumes that all Eligible Shareholders who have a substantial holding participate in the Priority Offer up to their maximum allocation (see Section 11.3) and that Transcontinental Investments provides a firm commitment for 1,250,000 Shares pursuant to Resolution 11 (see Section 14.4).
2. The table above does not include interests under Options or Performance Rights, nor the potential holdings if Shares are issued on the exercise of Options or vesting of Performance Rights.

7.13 **Indicative timetable**

Please refer to Section 1 for the indicative timetable for key events.

7.14 Risks

(a) **AssetOwl specific risks**

The following risks have been identified as being key risks specific to AssetOwl and its business. If the Acquisition proceeds, the Company may be affected by these matters through its ownership of AssetOwl.

(i) **Technology and commercialisation risk**

AssetOwl is an early stage company. While AssetOwl is advanced in the commercialisation of its key product (i.e. the Management Platform) and is in discussions with several potential key customers, there cannot be any assurance that it (or the Company) will be able to fully and successfully complete this process in relation to the Management Platform or other products under development, or, if commercialised, they will continue to generate ongoing market interest. Accordingly, AssetOwl's success (and therefore the Company's success) will depend upon AssetOwl's ability to commercialise and expand its products and services, grow its user base and generate revenue. Failure to do so may impact upon the success of the AssetOwl and the Company.

In addition, AssetOwl is seeking to supply products based on historical and existing market trends, as well as to create new markets. There cannot be any assurance of the continued growth in existing markets nor that the new markets that AssetOwl is seeking to supply will develop as targeted.

(ii) **Design and development**

The Management Platform, whilst advanced in development, is yet to reach full commercial release. There is an inherent risk with new and untested technology or system that development will not progress as planned, may encounter problems and may be subject to delays. The Management Platform is not fully operational for commercial use at the date of the Notice.

The AssetOwl board is confident that AssetOwl will be able to successfully complete all testing and roll-out the Management Platform to full operational use. However, there cannot be any assurance that this will occur within the timeframes targeted or at all. Developmental problems or delays may have an adverse effect on AssetOwl's business and financial position.

(iii) **Operational risk**

AssetOwl has limited operational history in the development of an enterprise software solution and the unproven potential of its proposed new business model makes any evaluation of the business or its prospects difficult. Assurances cannot be given that AssetOwl will achieve commercial viability through the implementation of its business plan.

(iv) **Reliance on key personnel**

AssetOwl's success depends to a significant extent upon its key management personnel, as well as other employees and technical personnel, including sub-contractors.

AssetOwl's potentially innovative technological developments have come about through its team of key operational personnel. It has sought to foster a workplace environment which encourages innovation and technical thought-leadership.

The loss of the services of any of AssetOwl's key personnel could have an adverse effect on it at this early stage of development, particularly as finding an effective replacement may be difficult.

(v) **Intellectual property risk**

AssetOwl has been granted a provisional patent and has filed an application under the PCT in relation to its proprietary technology, as set out in Section 7.4(g). Neither the provisional patent nor the PCT application give AssetOwl any currently enforceable rights. Further, AssetOwl will need to select the PCT member jurisdictions outside of Australia in which it will seek patent protection. At the date of this Notice, AssetOwl intends to seek patent protection under the PCT in Australia, Canada, China, the European Union and the United States of America, and is also considering additional countries. The final selection of PCT jurisdictions may change from these member states.

If the PCT application is granted, the resulting patent would constitute a significant asset to AssetOwl. Its ability to commercialise its products and services successfully is largely dependent upon it obtaining the monopoly rights to exploit the inventions and methods described in the PCT application.

AssetOwl anticipates that its PCT application will be granted. However, there cannot be any assurance of this or that the patent will be granted in all PCT jurisdictions eventually selected.

Third parties may also object to the grant of AssetOwl's PCT application on grounds which may include alleged infringement of their patents. AssetOwl is not aware of any of its technology infringing any third party's patent. However, AssetOwl has not undertaken an extensive assessment of existing patents to determine any overlapping technology or potential infringement, as the costs of such would be prohibitive. Accordingly, there is a risk that a third party may claim that AssetOwl's technology (including as set out in its PCT application) infringes that third party's patent.

(vi) **Software development risk**

The Management Platform contains, and other products developed by AssetOwl will contain, complicated software programming. AssetOwl is pursuing an expedited programme to develop and launch new and innovative functionality. Its products may therefore contain (now or in the future) errors or vulnerabilities. Any errors or vulnerabilities discovered could result in (among other consequences) damage to AssetOwl's (and therefore the Company's) brand, loss of users and liability for damages, any of which could adversely affect AssetOwl or the Company's business and operating result.

(vii) **Change in technology and competition**

The retail services and software development industries are highly competitive and largely reliant upon continual technological advancement and innovation. AssetOwl's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies and competitive pressures. Though AssetOwl is not aware of any competitors focusing on the same concept as the Management Platform, this cannot be guaranteed.

The development of new and superior software, systems and applications by a competitor could affect AssetOwl's ability to commercialise the Management Platform. There is a risk that existing competitors or new entrants to the market may develop superior or more cost effective products or systems which could have an adverse effect on AssetOwl's business and financial position.

(viii) **Security breaches**

AssetOwl's business is predominately operated through the use of computer and internet systems. If AssetOwl's cyber security measures are breached,

or if its products are subject to cyber-attacks that restrict user access to its products, it may affect its ability to service its customers and its products may be perceived as less secure than competitors and negatively affect AssetOwl's reputation, business and operating results.

(ix) **Data loss, theft or corruption**

AssetOwl stores data with a variety of third party service providers. Hacking or exploitation of some unidentified vulnerability in the third party service provider's network could lead to loss, theft or corruption of data and negatively affect AssetOwl's reputation, business and operating results.

(x) **Future capital requirements**

AssetOwl's ongoing activities are likely to require substantial further financing in the future for its business activities, in addition to amounts raised pursuant to the Capital Raising. Any additional equity financing by the Company may be dilutive to Shareholders, may be undertaken at lower prices than the Capital Raising prices or may involve restrictive covenants which limit the Company or AssetOwl's operations and business strategy.

Although the Directors believe that additional capital could be obtained for AssetOwl, there cannot be any assurance that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company (or AssetOwl) or at all. If additional financing cannot be obtained as needed, the Company may be required to reduce, delay or suspend AssetOwl's operations and which may result in a material adverse affect on the Company and its ability to continue as a going concern.

(xi) **No profit to date and limited operating history**

AssetOwl has incurred losses since its inception. It is therefore not possible to evaluate its prospects based on past performance. Since AssetOwl intends to invest in the commercial development of its Management Platform and the supply of associated services, its directors anticipate making further losses in the foreseeable future until AssetOwl is able to effectively commercialise and generate revenue.

While the Directors have confidence in the future revenue-earning potential of AssetOwl, there cannot be any certainty that AssetOwl will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(b) **Re-compliance risks**

The following risks have been identified as being key risks associated with the Company undertaking a change in nature of its activities and ASX re-compliance.

(i) **Re-instatement**

The Acquisition constitutes a significant change in the nature 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 ASX's admission requirements for re-instatement of its Securities to quotation. This would result in Shares remaining suspended from quotation, and therefore Shareholders being unable to trade their Shares until such time as those requirements can be met, if at all.

(ii) **Completion of Acquisition**

The completion of the Acquisition is subject to various conditions precedent being satisfied or waived by either or both of the Company and the Vendors. The Company's ability to effect completion and achieve its post-completion objectives is reliant upon performance by all parties of their respective obligations under the Transaction Agreement. There cannot be any assurance that this will occur as envisaged under the Transaction Agreement or without delay.

(iii) **Dilution**

Under the Transaction Agreement, the Company proposes to issue Shares under the Acquisition and Capital Raising which will dilute Shareholders' shareholding interests by approximately:

- A. 123.88% on a full subscription basis, assuming that Eligible Shareholders do not participate in the Capital Raising; or
- B. 53.11% on a full subscription basis, assuming that all Eligible Shareholders participate in the Capital Raising (including related party applicants under to Resolution 11).

In addition, the Consideration Options and Performance Rights could see the issue of an additional 35,000,000 Shares, further diluting the then Shareholders shareholding interests by an additional 57.81% on a full subscription basis (assuming no other Shares are issued).

Any additional equity financing may also be dilutive to Shareholders.

(iv) **Liquidity & volatility**

It is anticipated that, on re-instatement to ASX, the Company may have a narrow Shareholder base. All of the 14,271,420 Consideration Shares to be issued to the Major Vendors (including those to be allocated to Maiden Capital) will be voluntarily escrowed for up to 12 months from Completion of the Acquisition.

Independently and in parallel to this, approximately 13,683,103 of the Consideration Shares to be issued to all Vendors will be escrowed by ASX as "restricted securities" for between 12 and 24 months.

The Company estimates that approximately 74.87% to 76.43% of Shares will be unrestricted following completion of the Acquisition and Capital Raising.

As a consequence, there is a risk that, particularly in times of share market turbulence or negative investor sentiment, there will not be a highly liquid market for the Company's Shares or that the price of Shares may decrease considerably. There may be relatively few buyers or sellers of Shares on ASX at any given time and the market price may be highly volatile.

This may result in holders wishing to sell their Shares in circumstances where they may receive considerably less than the price paid.

7.15 **Advantages of Acquisition**

Set out below are the key advantages of, and potential reasons to approve, Resolution 4. This is not an exhaustive list of all possible advantages or reasons that Shareholders may consider approving the change in nature associated with the Acquisition.

Advantage	Description
Unique technology and business model	<p>The Acquisition presents an opportunity for the Company to acquire a business (i.e. AssetOwl) which has innovative patent-pending technology, early-mover advantage and a unique business model which, although not fully commercialised, has seen significant interest from large-scale retail chains.</p> <p>The Management Platform has potential application to a broad range of potential customers, from small businesses to large-scale multi-site operators. It is focused on providing a more efficient means of managing assets, properties and projects with a view to providing substantial cost savings to AssetOwl's customers.</p>
Growth platform and value proposition	The Acquisition represents an investment in an exciting new growth platform for the Company which, if successfully commercialised, has the potential to create value for Shareholders.
Diversification of business	The Acquisition will diversify the Company's operations incorporate AssetOwl's technology business. The Company's business is currently focused solely on mineral resources exploration and is therefore subject to the current subdued investment activity in relation to that sector.

7.16 **Disadvantages of Acquisition**

Set out below are the possible disadvantages of, and potential reasons not to approve, Resolution 4. This is not an exhaustive list of all possible disadvantages or reasons that Shareholders may consider not approving the change in nature associated with the Acquisition.

Disadvantage	Description
Industry shift for Existing Shareholders	Existing Shareholders will largely have invested on the basis of the Company's mineral resource exploration business. The Acquisition will change the focus of the Company's operations to that of technology and software development. A technology business has substantially different drivers to those of a resources business.
Non-commercialised technology	The Management Platform and AssetOwl's other technology is not yet fully commercialised and operational. The process of preparing for and undertaking commercial release of the Management Platform is subject to various inherent developmental and commercial uncertainties which may delay or impede the process. Accordingly, there is inherent commercialisation risk associated with AssetOwl and its business.
Limited synergies	AssetOwl's technology business has very limited synergies with the Company's existing mineral exploration business. Accordingly, the Company's existing business resources have limited application to AssetOwl's business post-Acquisition.

7.17 **Potential effect and strategy if Acquisition is not approved**

The Acquisition as outlined above will not proceed if any of Resolutions 4 to 15 are not approved by Shareholders.

If this occurs, the Company will continue to maintain its existing resources assets. It will also continue to seek and assess new investment opportunities which have the potential to create value for Shareholders.

The Board is currently considering whether to restructure the resources assets into a wholly owned subsidiary company.

7.18 Current activities and assets

(a) Overview

The Company currently holds the following mineral exploration interests:

(i) Paroo Range Project (100%)

The Company's flagship Paroo Range Project is adjacent to the Paladin/Summit Valhalla project north of Mt Isa in Queensland. It is operated over 5 granted Exploration Licenses, EPM16923, EPM16980, EPM25464, EPM25465 and EPM25503.

The project focuses on targeting structurally controlled metasomatic uranium mineralisation that occurs within albitised meta-basalts with breccia zones developed through the quartz-haematite-carbonate alteration zone. This mineralisation style is analogous to the nearby Valhalla and Skäl deposits and to the Anderson Lode deposit, which the Company believes has strong potential to host economic mineralisation.

(ii) Rum Jungle Project (100%)

The Company's Rum Jungle Project is located approximately 55 kilometres south of Darwin in the Batchelor area where there are numerous uranium, gold and base metal prospects and abandoned mines. The project comprises one granted exploration licence (EL26094) of approximately 28 square kilometres.

The Rum Jungle Project focuses on exploration for uranium and gold deposits. In this regard, the Company has completed drilling, sampling and geophysical surveys within EL26094, and has confirmed that the Highlander gold prospect is a high quality target in an under-explored region. Gold is hosted in pyrite-arsenopyrite-rich quartz veins.

(b) Intentions if the Acquisition is approved

The Company does not have any plans to dispose of its existing mineral exploration undertaking at this stage. However, if the Acquisition proceeds, the Company will focus its efforts on the development of the AssetOwl business.

Accordingly, the Company intends to undertake a strategic review of the Paroo Range and Rum Jungle Projects and evaluate the opportunities to maximise the value for Existing Shareholders and new Shareholders under the Capital Raising.

To this end, the Vendors have agreed under the Transaction Agreement to renounce any rights to participate in, or receive any proceeds from, any eventual transaction to realise the exploration assets in whatever form.

The Company will focus on the AssetOwl business but will continue its minimum expenditure commitments on the resources assets until a determination on how they will be dealt with is made, so as to maintain them in good standing and maximise their potential value for Shareholders.

7.19 Director's voting intentions and recommendations

Each of Mr Shane Stone, Mr Ian Murchison and Mr Simon Trevisan, being Directors, has a shareholding interest in the Company. In that capacity, each of these Directors intends to vote **in favour** of Resolution 4 on the basis that they each consider:

- (a) the potential advantages of approving Resolution 4 significantly outweigh the possible disadvantages; and
- (b) having examined other potential business/assets acquisitions opportunities, the Directors consider that the Acquisition is the best opportunity known and available to the Company at this time.

Noting the information above, the Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

8. Resolution 5: Consolidation of Shares

8.1 Background

Resolution 5 seeks Shareholder approval for the Consolidation so as to undertake a consolidation of the Company's share capital on a 10:1 basis, with fractional entitlements to be rounded to the nearest whole number.

If the Consolidation is approved, it will:

- (a) reduce the number of Shares on issue from 270,421,120 to approximately 27,042,112;
- (b) reduce the number of Existing Options on issue from 101,427,928 to 10,142,793 Options; and
- (c) increase the exercise price of Existing Options from \$0.02 to \$0.20.

The Consolidation is to occur 4 Business Days after the Meeting, being **Friday, 9 December 2016 (Consolidation Date)**.

The Consolidation is being undertaken to enable the Company to re-comply with the ASX admission requirements, including the requirement that the minimum price of a Share is \$0.20.

The Company has been suspended from quotation on ASX since 12 July 2016. At the time of suspension, the price of Shares was \$0.013.

The Consolidation is intended to assist the Company, in conjunction with the Capital Raising, to increase the value of a Share to the minimum \$0.20 required for re-instatement to official quotation on ASX.

Resolution 5 is conditional upon Resolutions 4 and 6 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 5 will not have effect.

8.2 Applicable Corporations Act provisions

Section 254H of the Corporations Act provides that a company may, by resolution passed at a general meeting, convert all of any of its shares into a larger or smaller number.

8.3 Effect of consolidation

(a) Fractional entitlements

Not all Security Holder will hold that number of Securities which can be evenly divided by 10.

Where a fractional entitlement to a post-Consolidation Security occurs, the Directors will round that fraction to the nearest whole Share or Option.

For example, if a Shareholder holds 100,249 Shares and the Shareholder's entitlement is 10,024.9, the Shareholder would receive 10,025 Shares on a post-Consolidation basis.

(b) Taxation implications

It is not considered that any taxation implications will exist for Security Holders arising from the Consolidation. However, Security Holders are advised to seek their own tax advice in this respect.

The Company, the Directors and the Company's advisors do not accept any responsibility for the individual taxation implications arising from the Consolidation.

(c) Holding statements

From the Consolidation Date, all holding statements and certificates for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements to be issued to Security Holders.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

(d) Effect on capital structure

The effect that the Consolidation will have on the Company's capital structure, subject to rounding discrepancies, is set out in the table below:

Security type	Pre-Consolidation	Post-Consolidation
Shares	270,421,120	27,042,112
Existing Options	101,427,928	10,142,793

Notes:

1. The above table does not include any of the Securities to be issued under the Transaction Agreement or the Capital Raising.
2. The above table assumes that other Shares are not issued and Existing Options are not exercised prior to the Consolidation.

8.4 Consolidation timetable

Subject to Shareholder approval of the Consolidation, the proposed timetable for the Consolidation is set out below. The dates are indicative only and are subject to possible change.

Event	Targeted date
Annual General Meeting and approval of Resolution 5 (Consolidation)	Monday, 5 December 2016
Last day for trading in pre-consolidated Securities	Tuesday, 6 December 2016
Trading in quoted Securities on a deferred settlement basis starts	Wednesday, 7 December 2016
Last day for registration of transfers of Securities on a pre-Consolidation basis	Thursday, 8 December 2016
First day for despatch of notice to each Security Holder informing them of the changes to their holdings	Friday, 9 December 2016

<ul style="list-style-type: none"> • Issue date • Last day for despatch of notice to each Security Holder informing them of the changes to their holdings. • Last day for Securities to be entered into the Security Holders' security holdings to reflect the effect of the Consolidation. • Deferred settlement market ends. 	<p>Thursday, 15 December 2016</p>
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8.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as it will assist the Company in undertaking its re-compliance with the ASX admission requirements.

9. Resolution 6: Approval to issue Consideration Securities to the Vendors

9.1 Background

Resolution 6 seeks Shareholder approval for the proposed issue of the Consideration Securities to the Vendors.

As outlined above, the Consideration Securities are to be issued as consideration for the sale of the Acquisition Shares pursuant to the Transaction Agreement.

The Consideration Securities are to be issued on a post-Consolidation basis.

Resolution 6 is conditional upon Resolutions 4, 5 and 7 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 6 will not have effect.

9.2 Applicable ASX Listing Rules

ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of Equity Securities (including Consideration Securities) if the Equity Securities will, when aggregated with the Equity Securities issued by a company during the previous 12 months, exceed 15% of the number of ordinary securities (e.g. ordinary shares) on issue at the commencement of that 12 month period.

The Consideration Securities to be issued under Resolution 6 will exceed the 15% threshold under ASX Listing Rule 7.1. As none of the exceptions contained in ASX Listing Rule 7.2 apply, Shareholder approval is required to undertake this issue.

9.3 ASX Listing Rule requirements

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

(a) Number of securities to be issued

The maximum number of Consideration Securities to be issued is:

- (i) 15,000,000 Consideration Shares; and
- (ii) 5,000,000 Consideration Options.

(b) **The date by which the securities will be issued**

The Consideration Securities are to be issued on date that completion of the Acquisition occurs under the Transaction Agreement. This is currently proposed to occur on or about 15 December 2016.

In any event, the Consideration Securities will be issued within 3 months of the date of the Meeting (or such later date as permitted by the ASX Listing Rules) and it is intended that issue will occur on one date.

(c) **The issue price of the securities**

The Consideration Securities will be issued for nil cash consideration as they are being issued as consideration for the sale of the Acquisition Shares by the Vendors under the Transaction Agreement. Accordingly, funds will not be raised by the issue of the Consideration Securities.

(d) **The name of the person to whom the securities will be issued**

The Consideration Securities will be issued to the Vendors and Maiden Capital. The Vendors will receive Consideration Securities in proportion to their respective shareholdings in AssetOwl. Maiden Capital will receive 6% of the Consideration Securities.

Please refer to Schedule 2 for details of the allocation of the Consideration Securities to each Vendor and Maiden Capital as at the date of this Notice. The allocations may change if holdings of any Vendor changes prior to the issue of Consideration Securities.

The following Vendors are related parties of the Company for the purposes of the ASX Listing Rules:

- (i) NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust is controlled by Mr Andrew Lane who is proposed to become a Non-Executive Director following completion of the Acquisition; and
- (ii) Ogee Australia Pty Ltd (ACN 008 725 531) as trustee for the Lane Superannuation Fund is controlled Mr Lane's father who is independent of Mr Lane but is still classified as a related party.

However, ASX Listing Rule 10.12 (exception 6) provides that approval under ASX Listing Rule 10.11 is not required for the issue of Consideration Securities to the related party Vendors as they are only considered related parties of the Company because of the Acquisition, which is the reason for the issue.

The remaining Vendors are not related parties of the Company for the purposes of the ASX Listing Rules.

(e) **The terms of the securities**

(i) **Consideration Shares**

Subject to Section 9.4, the Consideration Shares are fully paid ordinary shares in the Company (i.e. Shares) that will, upon issue, rank equally in all respects with other Shares then on issue.

(ii) **Consideration Options**

Each Consideration Option will be exercisable at \$0.25 (post Consolidation) on or before 31 March 2019 and will otherwise be granted on the terms and conditions set out in Schedule 3 of this Explanatory Statement.

Subject to Section 9.4, a Share issued on exercise of a Consideration Option will, upon issue, rank equally in all respects with other Shares then on issue.

(f) **The use or intended use of the funds raised**

The Consideration Securities will not be issued for cash consideration. As outlined above, the Consideration Securities will be issued as consideration for the sale of the Acquisition Shares by the Vendors under the Transaction Agreement. Accordingly, funds will not be raised by the issue of the Consideration Securities.

If the Consideration Options are exercised, the Company would receive subscription funds totalling \$1,250,000. These funds would be applied by the Company to its working capital requirements at that time.

9.4 **Escrow**

A “classified asset” under the ASX Listing Rules includes:

- (a) an interest in intangible property that is substantially speculative or unproven, or has not been profitably exploited for at least 3 years, and which entitles the entity to develop, manufacture, market or distribute the property;
- (b) a interest in an asset which, in ASX’s opinion, cannot readily be valued; and
- (c) an interest in an entity the substantial proportion of whose assets (held directly or through a controlled entity) are property of the type outlined above.

As outlined above, the purchase by the Company of the Acquisition Shares constitutes the acquisition of a classified asset for the purposes of the ASX Listing Rules.

ASX Listing Rule 9.1.3 imposes escrow restrictions on the Securities issued to a vendor of a classified asset. The restrictions require that the escrowed Securities, known as “restricted securities”, be held in escrow for a period determined by ASX and must not be sold, assigned, transferred or used as collateral for a security interest.

The Company anticipates that the following Consideration Securities will be classed as “restricted securities” and subject to escrow as follows:

Period of Restriction	Consideration Shares	Consideration Options
24 months from reinstatement to the Official List	13,034,909	4,757,613
12 months from issue of Consideration Security	648,194	242,387
Total restricted securities	13,683,103	5,000,000

In addition, all of the 14,271,420 Consideration Shares to be issued to the Major Vendors (including those to be allocated to Maiden Capital) will be voluntarily escrowed for up to 12 months from Completion of the Acquisition.

9.5 **Dilutive effect**

The table below sets out the potential dilutive effect on Shareholders from the issue of the Consideration Shares and the exercise of Consideration Options, based on the existing capital structure, prior to the Capital Raising.

Event	Number of Shares pre-issue	Shares issued	Number of Shares post-issue	Dilution (rounded)
Issue of Consideration Shares	27,042,112	15,000,000	42,042,112	55.47%
Exercise of Consideration Options	42,042,112	5,000,000	47,042,112	11.89%

Notes:

The interests shown in the table above assume:

1. that Shares are issued in the order of events set out in the table; and
2. that other Shares are not issued prior to the issue date.

9.6 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6 as it will enable the Company to satisfy its obligation to issue the Consideration Securities under the Transaction Agreement without using the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1 (discussed at Section 9.2 above).

If Resolution 6 is not approved, the Company will not be able to effect completion of the Acquisition under the Transaction Agreement as the Company does not have sufficient capacity to issue all of the Consideration Securities under its ASX Listing Rule 7.1 placement issuing capacity.

10. **Resolution 7: Approval to grant Performance Rights to the Vendors**

10.1 **Background**

Resolution 7 seeks Shareholder approval for the proposed grant of the Performance Rights to the Vendors. The Performance Rights are to be granted on a post-Consolidation basis.

As outlined above, the Performance Rights are to be granted as performance-based consideration for the sale of the Acquisition Shares pursuant to the Transaction Agreement.

The Company proposes to grant 3 classes of Performance Right with separate performance Milestones: Class A Performance Rights, Class B Performance Rights and Class C Performance Rights. Each class is intended to represent \$3,000,000 in consideration.

The Milestones for the Performance Rights are intended to provide consideration which aligns the interests of the Vendors with the financial and operational success of the Company (and AssetOwl) in the 3 year period following completion of the Acquisition.

Resolution 7 is conditional upon Resolutions 4 to 6 and 8 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 7 will not have effect.

10.2 **Performance Right entitlements and Milestones**

Each Performance Right will provide a Vendor with a right to be issued with one Share upon the relevant Milestone for that class of Performance Right being achieved and the Performance Right consequently vesting in the Vendor.

The Company retains the right to satisfy the Performance Rights by making payments of cash in lieu of Shares.

The table below sets out the relevant Milestones for each class of Performance Right.

Class	Milestone	Portion of Performance Rights that vest on achieving Milestone
Class A Performance Right	320 stores (or floors in a multi-level business) using AssetOwl's Management Platform for the 2017 calendar year.	33 $\frac{1}{3}$ %
	The Company generating at least \$3,008,000 in revenue for the 2017 calendar year.	33 $\frac{1}{3}$ %
	The Company breaking-even in relation to net profit before tax for the 2017 calendar year.	33 $\frac{1}{3}$ %
Class B Performance Right	1,152 stores (or floors in a multi-level business) using AssetOwl's Management Platform for the 2018 calendar year.	33 $\frac{1}{3}$ %
	The Company generating at least \$5,760,000 in revenue for the 2018 calendar year.	33 $\frac{1}{3}$ %
	The Company achieving at least \$1,792,000 in net-profit before tax for the 2018 calendar year	33 $\frac{1}{3}$ %
Class C Performance Right	1,408 stores (or floors in a multi-level business) using AssetOwl's Management Platform for the 2019 calendar year.	33 $\frac{1}{3}$ %
	The Company generating at least \$10,400,000 in revenue for the 2019 calendar year.	33 $\frac{1}{3}$ %
	The Company achieving at least \$5,696,000 in net-profit before tax for the 2019 calendar year.	33 $\frac{1}{3}$ %

10.3 Adjustments to Performance Right entitlements

(a) Class B and C Performance Rights

Each of the Class B and C Performance Rights are intended to provide Shares equal in value to the \$3,000,000 (i.e. a total of \$6,000,000), based on a floor price of \$0.40 (post Consolidation). However, the number of Class B or C Performance Rights that will vest will be adjusted and reduced pro-rata between the Vendors if:

- (i) in the case of the Class B Performance Rights, the VWAP of Shares over the 14 trading days prior to the end of the 2018, discounted by 10%, is more than \$0.40; and
- (ii) in the case of the Class C Performance Rights, the VWAP of Shares over the 14 trading days prior to the end of the 2019 is more than \$0.40.

Example – adjustment to B Performance Rights

If the VWAP of Shares was \$0.50, then using a price per Share of \$0.45 (i.e. 10% discount to the VWAP), the number of Class B Performance Rights which would vest is adjusted and reduced from 7,500,000 to 6,666,667 (i.e. \$3,000,000 / \$0.45).

Example – adjustment to C Performance Rights

If the VWAP of Shares was \$0.60, then the number of Class C Performance Rights which would vest adjusted and reduced from 7,500,000 to 5,000,000 (i.e. \$3,000,000 / \$0.60).

(b) **R&D Tax Rebate and Net Indebtedness adjustment**

The number of Performance Rights that vest in any class may be adjusted by way of pro-rata set-off between the Vendors if:

- (i) the actual R&D tax rebate received by AssetOwl is less than the estimate provided by AssetOwl immediately prior to completion of the Acquisition; or
- (ii) the actual net indebtedness of AssetOwl at completion of the Acquisition is greater than \$140,000, subject to specific exceptions.

10.4 **Applicable ASX Listing Rules**

Although not Securities for the purposes of the Corporations Act, performance rights are considered to be Equity Securities for the purposes of the ASX Listing Rules.

As outlined above, the approval of shareholders under ASX Listing Rule 7.1 is required for a company to issue Equity Securities which exceed 15% of the number of ordinary securities (e.g. ordinary shares) on issue at 12 months prior.

Further, ASX Listing Rule 7.2 (exception 4) provides that ASX Listing Rule 7.1 does not apply to the issue of Equity Securities on conversion of convertible securities (e.g. Performance Rights).

The Performance Rights to be issued under Resolution 7 will exceed the 15% threshold under ASX Listing Rule 7.1. As none of the exceptions contained in ASX Listing Rule 7.2 apply (as opposed to the vesting), Shareholder approval is required to undertake this issue.

In addition, approval of Resolution 7 will allow the Directors to issue any Shares on the subsequent vesting of Performance Rights without using the Company's issuing capacity under ASX Listing Rule 7.1.

10.5 **ASX Listing Rule requirements**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed grant of the Performance Rights:

(a) **Number of securities to be issued**

(i) **Performance Rights**

The maximum number of Performance Rights to be granted is 30,000,000 as follows:

- A. Class A Performance Rights – 15,000,000;
- B. Class B Performance Rights – 7,500,000; and
- C. Class C Performance Rights – 7,500,000.

(ii) **Shares on vesting**

Subject to the adjustment provisions outlined in Section 10.3 above, each Performance Right grants an entitlement to receive one Share.

Accordingly, the maximum number of Shares that may be issued on vesting of each class of Performance Right is 30,000,000.

The exact number of Shares that will be issued on vesting of Class B and C Performance Rights will depend upon the VWAP of Shares traded on ASX immediately prior to the end of the 2018 and 2019 calendar years respectively.

The following table sets out possible vesting scenarios adopting various different VWAP prices, on the basis outlined in Section 10.3 above.

VWAP / issue price	Calculation	Number of Shares to be issued (rounded)
Class B Performance Rights		
\$0.40 (floor price)	$\$3,000,000 / \0.40	7,500,000 (maximum)
\$0.45	$\$3,000,000 / \0.405	7,407,407
\$0.50	$\$3,000,000 / \0.45	6,666,667
\$0.55	$\$3,000,000 / \0.495	6,060,606
\$0.60	$\$3,000,000 / \0.54	5,555,556
Class C Performance Rights		
\$0.40 (floor price)	$\$3,000,000 / \0.40	7,500,000 (maximum)
\$0.45	$\$3,000,000 / \0.45	6,666,667
\$0.50	$\$3,000,000 / \0.50	6,000,000
\$0.55	$\$3,000,000 / \0.55	5,454,545
\$0.60	$\$3,000,000 / \0.60	5,000,000

(b) **The date by which the securities will be issued**

(i) **Performance Rights**

The Performance Rights are to be granted on the date that completion of the Acquisition occurs under the Transaction Agreement. This is currently proposed to occur on or about 15 December 2016.

In any event, the Performance Rights will be issued within 3 months of the date of the Meeting (or such later date as permitted by the ASX Listing Rules) and it is intended that issue will occur on one date.

(ii) **Shares on vesting**

The precise timing of when Shares will be issued on vesting of the Performance Rights is not know as it is subject to achieving the relevant Milestones. However, to the extent that the relevant Milestones are satisfied, it is anticipated the Performance Rights may vest at the following times:

Class	Anticipated vesting time
Class A Performance Rights	In or about March 2018
Class B Performance Rights	In or about March 2019
Class C Performance Rights	In or about March 2020

(c) **The issue price of the securities**

The Performance Rights will be issued for nil cash consideration as they are being issued as performance based consideration for the sale of the Acquisition Shares by the Vendors under the Transaction Agreement. Accordingly, funds will not be raised by the issue of the Performance Rights.

(d) **The name of the person to whom the securities will be issued**

The Performance Rights will be issued to the Vendors and to Maiden Capital. The Vendors will receive Performance Rights in proportion to their respective shareholdings in AssetOwl. Maiden Capital will receive 6% of the Performance Rights.

Please refer to Schedule 2 for details of the allocation of the Performance Rights to each Vendor and Maiden Capital as at the date of this Notice. The allocations may change if holdings of any Vendor changes prior to the issue of Consideration Securities.

As outlined in Section 9.3(d), ASX Listing Rule 10.12 (exception 6) provides that approval under ASX Listing Rule 10.11 is not required for the issue of Performance Rights to those Vendors who are related parties of the Company by reason of the Acquisition. Accordingly, approval under Listing Rule 10.11 is not required to issue Performance Right to the following related party Vendors:

- (i) NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust; and
- (ii) Ogee Australia Pty Ltd (ACN 008 725 531) as trustee for the Lane Superannuation Fund.

The remaining Vendors are not related parties of the Company for the purposes of the ASX Listing Rules.

(e) **The terms of the securities**

Each class of Performance Rights is class of contractual rights to receive Shares or a cash payment, granted by the Company on the terms and conditions set out in Schedule 5.

A Performance Right is not a Share in the Company and is not a Security for the purposes of the Corporations Act. It is however treated as an Equity Security for the purposes of the ASX Listing Rules.

Subject to Section 10.6, each Share issued on the vesting of a Performance Right in any class will be a fully paid ordinary share in the Company (i.e. a Share) that will, upon its issue, rank equally in all respects with other Shares then on issue.

(f) **The use or intended use of the funds raised**

The Performance Rights will not be issued for cash consideration. Accordingly, funds will not be raised by the issue nor the vesting of the Performance Rights.

As outlined above, the Performance Rights will be issued as deferred performance based consideration for the sale of the Acquisition Shares by the Vendors under the Transaction Agreement. The intention is to provide a form of consideration which benefits the Vendors only if the relevant Milestones are achieved, thereby aligning the interests of the Vendors with the financial and operational success of the Company.

10.6 Escrow

As outlined above, Performance Rights (and any Shares issued on vesting) will be “restricted securities” subject to ASX imposed escrow restrictions for a period determined by ASX and

must not be sold, assigned, transferred or used as collateral for a security interest during that time.

The Company anticipates that all of the Performance Rights will be classed as “restricted securities” and subject to escrow as follows:

Period of Restriction	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
24 months from reinstatement to the Official List	14,272,838	7,136,419	7,136,419
12 months from issue of Consideration Security	727,162	363,581	363,581
Total restricted securities	15,000,000	7,500,000	7,500,000

10.7 Dilutive effect

The table below sets out the potential dilutive effect on Shareholders from the issue of Shares on the vesting of all Performance Rights, based on the anticipated capital structure following completion of the Acquisition and Capital Raising.

Event	Number of Shares pre-issue	Shares issued	Number of Shares post-issue	Dilution (rounded)
Vesting of Class A Performance Rights	60,542,112	15,000,000	75,542,112	24.78%
Vesting of Class B Performance Rights	75,542,112	7,500,000	83,042,112	9.93%
Vesting of Class C Performance Rights	83,042,112	7,500,000	90,542,112	9.03%

Notes:

The interests shown in the table above assume that:

1. the maximum number of Performance Rights vest (i.e. 30,000,000);
2. Shares are issued in the order of events set out in the table; and
3. other Shares are not issued prior to the issue date.

10.8 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7 as it will enable the Company to satisfy its obligation to issue the Performance Rights (and any subsequent Shares on vesting) under the Transaction Agreement without using the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1 (discussed at Section 9.6 above).

11. Resolution 8: Approval to issue Shares and Options under Capital Raising

11.1 Background

Resolution 8 seeks Shareholder approval for the proposed issue of Shares and free-attaching Capital Raising Options under the Capital Raising (**Capital Raising Securities**).

Under the Capital Raising, the Company will make an offer to the public under a prospectus (**Prospectus Offer**) of 17,500,000 Shares at \$0.20 each together with one free-attaching Capital Raising Option for every 2 Shares subscribed, to raise \$3,500,000 (before costs).

The Capital Raising Securities are to be issued on a post-Consolidation basis.

Resolution 8 is conditional upon Resolutions 4 to 7 and 9 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 8 will not have effect.

11.2 Purpose of the Prospectus Offer

The purpose of the Capital Raising is to:

- (a) following completion of the Acquisition, enable the Company to fund AssetOwl's software development, business development and marketing, and patent costs;
- (b) maintain the Company's existing exploration tenements in good standing;
- (c) fund the Company's corporate overheads and administrative costs;
- (d) provide general working capital; and
- (e) satisfy the ASX admission requirements.

11.3 Priority offer to Eligible Shareholders

A priority offer of up to 5,000,000 Shares under the Capital Raising will be made to Eligible Shareholders (**Priority Offer**).

Shareholders will be eligible to participate in the Priority Offer (i.e. Eligible Shareholder) if they are registered as the holders of Shares as at the Priority Offer Record Date, being **5:00pm on Thursday, 10 November 2016**.

Each Eligible Shareholder will be entitled to subscribe for the higher of:

- (a) the number of Shares that they would be entitled to apply for if the offer was made on a pro-rata basis; and
- (b) that number of Shares that, when added to the existing holding, would equal 10,000 Shares.

11.4 Lead manager and underwriting

The Company has engaged Patersons Securities to act as lead manager and proposed underwriter to the Prospectus Offer.

It is proposed that Patersons Securities will underwrite (or procure sub-underwriting or applications for) up to \$3,500,000 of the Prospectus Offer, being equal to the full subscription amount.

The proposed material terms of the Underwriting Agreement with Patersons Securities are summarised in Section 13.2.

11.5 Directors' participation

Refer to Section 12 for details of the Directors' proposed participation in the Capital Raising.

11.6 **Applicable ASX Listing Rules**

As outlined above, the approval of shareholders under ASX Listing Rule 7.1 is required for a company to issue Equity Securities which exceed 15% of the number of ordinary securities (e.g. ordinary shares) on issue at 12 months prior.

The Capital Raising Securities to be issued under Resolution 8 will exceed the 15% threshold under ASX Listing Rule 7.1. As none of the exceptions contained in ASX Listing Rule 7.2 apply (as opposed to the vesting), Shareholder approval is required to undertake this issue.

11.7 **ASX Listing Rule requirements**

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

(a) **Number of securities to be issued**

The maximum number of Capital Raising Securities to be issued is:

- (i) 17,500,000 Shares; and
- (ii) 8,750,000 Consideration Options – this excludes the identical Options proposed to be issued to Patersons Securities the subject of Resolution 10 (see Sections 13.2 and 13.4(b)).

(b) **The date by which the securities will be issued**

It is proposed that the Capital Raising Securities be issued, subject to the Prospectus Offer closing with all conditions satisfied, on or about 15 December 2016.

In any event, the Capital Raising Securities will be issued within 3 months of the date of the Meeting (or such later date as permitted by the ASX Listing Rules) and it is intended that issue will occur on one date.

(c) **The issue price of the securities**

The Shares under the Prospectus Offer will be issued for \$0.20 each to raise \$3,500,000 (before costs).

The Capital Raising Options will be issued for nil cash consideration as they are free-attaching to the Shares under the Prospectus Offer. Accordingly, funds will not be raised by the issue of the Capital Raising Options.

(d) **The name of the person to whom the securities will be issued**

The Capital Raising Securities will be offered to the general public.

However, if the Prospectus does not close fully subscribed, Patersons Securities will subscribe, or procure subscription, for the shortfall up to the full subscription amount of 17,500,000 Shares to raise \$3,500,000 (before costs) in its capacity as underwriter.

(e) **The terms of the securities**

(i) **Shares**

The Shares to be issued under the Prospectus Offer are fully paid ordinary shares in the Company that will, upon issue, rank equally in all respects with other Shares then on issue.

(ii) **Capital Raising Options**

Each Capital Raising Option will be exercisable at \$0.40 on or before 30 June 2019 and will otherwise be granted on the terms and conditions set out in Schedule 4 of this Explanatory Statement.

A Share issued on exercise of a Capital Raising Option will, upon issue, rank equally in all respects with other Shares then on issue.

(f) **The use or intended use of the funds raised**

The Company intends to use the funds raised under the Capital Raising for the purposes set out in Section 7.8.

If the maximum Capital Raising Options are issued and subsequently exercised, the Company would receive subscription funds totalling \$3,500,000. These funds would be applied by the Company to its working capital requirements at that time.

11.8 **Dilutive effect**

The table below sets out the potential dilutive effect on Shareholders from the issue of the Shares and the exercise of Capital Raising Options, based on the existing capital structure, prior to the Acquisition completing.

Event	Number of Shares pre-issue	Shares issued	Number of Shares post-issue	Dilution (rounded)
Issue of Shares	27,042,112	17,500,000	44,542,112	64.71%
Exercise of Capital Raising Options issued under the Public Offer	44,542,112	8,750,000	53,292,112	19.64%

Notes:

The interests shown in the table above assume:

1. that Shares are issued in the order of events set out in the table; and
2. that other Shares (e.g. those in relation to the Acquisition) are not issued prior to the issue date.

11.9 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8 as it will enable the Company to raise the necessary working capital for the matters outlined in Section 7.8 and critically to assist the Company in being re-instated to quotation on ASX.

12. Resolution 9: Approval for Directors to participate in the Capital Raising

12.1 **Background**

Resolution 9 seeks Shareholder approval under Listing Rule 10.11 for the Directors (or their nominees) to participate in the Capital Raising up to a maximum of 1,000,000 Shares and up to 500,000 free-attaching Capital Raising Options.

If approved, Resolution 9 would allow Directors (or their nominees) to apply for Capital Raising Securities under the Prospectus Offer on the same terms as the general public.

Resolution 9 is conditional upon Resolutions 4 to 8 and 10 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 9 will not have effect.

12.2 **Applicable ASX Listing Rules**

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities (e.g. Shares), or other securities with rights to conversion to equity, to a related party without shareholder approval.

The Directors are related parties of the Company for the purposes of the ASX Listing Rules.

If Resolution 9 is approved, then approval is not required to under ASX Listing Rule 7.1 which sets a restriction on companies issuing Equity Securities where the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

12.3 **Applicable Corporations Act provisions**

(a) **Material personal interests – section 195(4) of the Corporations Act**

Section 195(1) of the Corporations Act provides that a director who has a “material personal interest” in a matter being considered at a directors’ meeting must not be present while the matter is being considered or vote on the matter.

Section 195(4) of the Corporations Act provides that, where there are insufficient directors to form a quorum at a directors’ meeting because of section 195(1), the directors can call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to their participation in the Capital Raising and Resolution 9, as each of the Directors has a material interest in the outcome of those matters.

Accordingly, Resolution 15 seeks Shareholder approval under section 195(4) of the Corporations Act to deal with this matter.

(b) **Related party benefit exception – section 210 of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (i) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (ii) prior Shareholder approval is obtained for the giving of the financial benefit.

The Directors are related parties of the Company and the issue of Capital Raising Securities to the Directors under the Prospectus Offer would constitute the giving of a financial benefit for the purposes of the Corporations Act.

Section 210 of the Corporations Act provides an exception to the requirement for shareholder approval where the financial benefit would be reasonable in the circumstances as if the company and the related party were dealing at arm’s length.

Resolution 9 seeks Shareholder approval for the Directors to participate on the same terms as the general public. Accordingly, their participation in the Capital Raising (and the associated issue of Capital Raising Securities) would be arm’s length for the purposes of section 210 of the Corporations Act. The Directors consider that Shareholder approval for the provision of a financial benefit to a related party under section 208 of the Corporations Act is not required.

However, as outlined above, approval is sought under section 195(4) as all Directors have a material personal interest in the outcome of the Resolution.

12.4 ASX Listing Rule requirements

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 9 for the purposes of obtaining approval under Listing Rule 10.11:

(a) Name of the related party

The related parties are:

- (i) Mr Shane Stone (or his nominee);
- (ii) Mr Bruce McCracken (or his nominee);
- (iii) Mr Ian Murchison (or his nominee); and
- (iv) Mr Simon Trevisan (or his nominee).

(b) Maximum number of securities to be issued

The maximum number of Capital Raising Securities to be issued is 1,000,000 Shares and 500,000 free-attaching Capital Raising Options.

(c) Date by which securities will be issued

It is proposed that the Capital Raising Securities be issued, subject to the Prospectus Offer closing with all conditions satisfied, on or about 15 December 2016.

In any event, the Capital Raising Securities will be issued to the Directors within 3 months' of the date of the Meeting at the same time as non-related party investors under the Capital Raising, and it is intended that issue will occur on one date.

The Company was granted a waiver by ASX on 28 October 2016 permitting the Company to issue the Capital Raising Securities to Directors (or their nominees) outside of the 1 month timeframe ordinarily required under Listing Rule 10.13.3.

(d) Relationship requiring Shareholder approval

A director of a company is a related party for the purposes of the ASX Listing Rules. Accordingly, the Directors are related parties by virtue of holding such positions.

(e) Issue price of the securities

As outlined in Section 11.7(c), the Shares under the Prospectus Offer will be issued for \$0.20 each to raise \$3,500,000 (before costs).

The Capital Raising Options will be issued for nil cash consideration as they are free-attaching to the Shares under the Prospectus Offer. Accordingly, funds will not be raised by the issue of the Capital Raising Options.

(f) Use of (or intended use of) the funds raised

The Company will raise \$200,000 if all Directors participate in the Capital Raising up to the maximum amount permitted by Resolution 9. The Company intends to use the funds raised under the Capital Raising for the purposes set out in Section 7.8.

The Company will also raise \$200,000 if all Directors participate in the Capital Raising up to the maximum amount permitted by Resolution 9 and exercise their Capital Raising Options. These funds would be applied by the Company to its working capital requirements at that time.

12.5 Directors' recommendation

The Directors decline to make a recommendation on how Shareholders should vote in respect of Resolution 9 as they each hold a material personal interest in the outcome of the Resolution.

13. Resolution 10: Approval to issue Options to Patersons Securities as lead manager and underwriter

13.1 Background

Resolution 10 seeks Shareholder approval for the proposed issue of up to 8,750,000 Capital Raising Options to Patersons Securities as consideration for acting as lead manager and underwriter to the Capital Raising.

The Company has engaged Patersons Securities under a mandate agreement to act as lead manager to the Prospectus Offer and, subject to the Underwriting Agreement being finally agreed, underwriter for the Prospectus Offer.

It is proposed that Patersons Securities underwrite (or procure sub-underwriting or applications for) subscriptions for up to \$3,500,000 of the Prospectus Offer, being the full subscription amount of 17,500,000 Shares.

The Capital Raising Options the subject of Resolution 10 are to be issued to Patersons Securities (or its nominees) on a post-Consolidation basis.

Resolution 10 is conditional upon Resolutions 4 to 9 and 11 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 10 will not have effect.

13.2 Underwriting Agreement

The proposed material terms of the Underwriting Agreement with Patersons Securities are summarised as follows:

- (a) Patersons Securities will underwrite the subscription of up to 17,500,000 Shares at an issue price of \$0.20 each of any shortfall under the Prospectus Offer;
- (b) the Company must pay Patersons Securities (or its nominee):
 - (i) a corporate advisory fee of \$60,000 for managing the Capital Raising;
 - (ii) a selling/underwriting fee of 6% of the gross amount raised in the Capital Raising (i.e. a maximum of \$210,000);
- (c) the Company must issue to Patersons Securities or its nominees 11,000,000 Capital Raising Options;
- (d) Patersons Securities may procure any person to subscribe for or sub-underwrite any portion of its underwriting commitment provided that the Company is not required to pay any additional fees or provide any additional consideration to that outlined above;
- (e) Patersons Securities may terminate its obligations by written notice to the Company in various circumstances including the following non-exhaustive list:
 - (i) **Acquisition:** the Acquisition is not authorised or delayed for a significant period, or does not proceed for whatever reason;
 - (ii) **indices:** any of the All Ordinaries Index or the S&P/ASX Energy Index as published by ASX is at any time after the date of the Underwriting Agreement

10% or more below its respective level as at the close of business on the business day prior to the date of the Underwriting Agreement;

- (iii) **Prospectus:** the Company does not lodge the Prospectus by 7 November 2016 (or such other date approved by Patersons Securities), or either the Prospectus or the Prospectus Offer is withdrawn by the Company;
 - (iv) **quotation:** official quotation of the Securities that are to be offered under the Prospectus and for which quotation is to be sought has not been granted by 19 December 2016 (or such other date approved by Patersons Securities) or, having been granted, is subsequently withdrawn, withheld or qualified;
 - (v) **supplementary prospectus:** the Company lodges a supplementary or replacement prospectus without the prior written agreement of Patersons Securities or, if Patersons Securities reasonably believes that a supplementary or replacement prospectus should be lodged, fails to do so;
 - (vi) **default:** default or breach by the Company of its obligations under the Underwriting Agreement;
 - (vii) **non-compliance with disclosure requirements:** it is determined that the Prospectus does not contain all the information required by the Corporations Act; or
 - (viii) **misleading statement or omission:** it is determined that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus; and
- (f) the Company must pay or reimburse Patersons Securities for its reasonable costs, professional fees and expenses in relation, and incidental, to the Capital Raising.

The Underwriting Agreement is also proposed to contain various terms which are of the type and form that is usual in an underwriting agreement of this nature, including warranties, confidentiality and requirements for the supply of information to Patersons Securities.

13.3 **Applicable ASX Listing Rules**

As outlined above, the approval of shareholders under ASX Listing Rule 7.1 is required for a company to issue Equity Securities which exceed 15% of the number of ordinary securities (e.g. ordinary shares) on issue at 12 months prior.

The Capital Raising Options to be issued under Resolution 10 will exceed the 15% threshold under ASX Listing Rule 7.1. As none of the exceptions contained in ASX Listing Rule 7.2 apply (as opposed to the vesting), Shareholder approval is required to undertake this issue.

13.4 **ASX Listing Rule requirements**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Capital Raising Options to Patersons Securities:

(a) **Number of securities to be issued**

The number of Capital Raising Options to be issued pursuant to Resolution 10 is 11,000,000.

This figure excludes, and is in addition to, the entitlement to 1 free-attaching Capital Raising Options for every 2 Share subscribed pursuant to the underwriting commitment.

(b) **The date by which the securities will be issued**

The Capital Raising Options be issued to Patersons Securities (or its nominees) will be issued, subject to the Prospectus Offer closing with all conditions satisfied, on or about 15 December 2016.

In any event, the Capital Raising Options will be issued within 3 months of the date of the Meeting (or such later date as permitted by the ASX Listing Rules) and it is intended that issue will occur on one date.

(c) **The issue price of the securities**

The Capital Raising Options will be issued for nil cash consideration as they are issued in consideration of Patersons Securities performing capital raising and underwriting services to the Company in its capacity as lead manager and underwriter to the Prospectus Offer. Accordingly, funds will not be raised by the issue of these Capital Raising Options.

(d) **The name of the person to whom the securities will be issued**

The Capital Raising Options under Resolution 10 will be offered to Patersons Securities (or its nominees). Patersons Securities may nominate investors who provide a firm commitment to subscribe under the Prospectus Offer or sub-underwriters to receive all or part of the Capital Raising Options. Other than those approved under Resolutions 11 and 12, the recipients will not be related parties of the Company.

(e) **The terms of the securities**

Each Capital Raising Option will be exercisable at \$0.40 on or before 30 June 2019 and will otherwise be granted on the terms and conditions set out in Schedule 4 of this Explanatory Statement.

A Share issued on exercise of a Capital Raising Option will, upon issue, rank equally in all respects with other Shares then on issue.

(f) **The use or intended use of the funds raised**

The Company will not raise any funds from the issue of the Capital Raising Options to Patersons Securities or its nominees.

If the maximum Capital Raising Options are issued and subsequently exercised, the Company would receive subscription funds totalling \$4,400,000. These funds would be applied by the Company to its working capital requirements at that time.

13.5 **Dilutive effect**

If all of the Capital Raising Options to be issued to Patersons Securities are exercised, the potential dilutive effect on Shareholders, based on the proposed post-Capital Raising capital structure following the Acquisition, would be approximately 18.17% on a full subscription basis.

13.6 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10 as it will enable the Company to discharge its obligations under the proposed Underwriting Agreement and critically to assist the Company in satisfying the admission requirements in order to be re-instated to the Official List of ASX.

14. Resolution 11: Approval to issue Securities to Transcontinental Investments

14.1 Background

Resolution 11 seeks Shareholder approval under Listing Rule 10.11 for the Company to issue Capital Raising Securities to Transcontinental Investments (or its nominees) pursuant to a pre-offer firm commitment to Patersons Securities to subscribe under the Prospectus Offer.

Transcontinental Investments is a related party of the Company for the purposes of the ASX Listing Rules.

Transcontinental Investments has provided a firm commitment to Patersons Securities to subscribe for 1,250,000 Shares under the Public Offer to raise \$250,000. It is an investor to which Securities may be offered without a prospectus or other disclosure document, under section 708 of the Corporations Act.

In addition, Transcontinental Investments will be entitled to receive:

- (a) one free-attaching Capital Raising Option for every two Shares subscribed, as available to all general applicants under the Public Offer; and
- (b) as a nominee of Patersons Securities, 4 Capital Raising Options for every 5 Shares subscribed, from those Capital Raising Options to be issued to Patersons Securities under Resolution 10 – these Options will likely be subject to ASX imposed escrow restrictions for up to 24 months from issue.

Resolution 11 is conditional upon Resolutions 4 to 10 and 12 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 11 will not have effect.

14.2 Applicable ASX Listing Rules

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities (e.g. Shares), or other securities with rights to conversion to equity, to a related party without shareholder approval.

Transcontinental Investments is a related party of the Company for the purposes of the ASX Listing Rules.

If Resolution 11 is approved, then approval is not required under ASX Listing Rule 7.1 which sets a restriction on companies issuing Equity Securities where the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

14.3 Applicable Corporations Act provisions

As outlined in Section 12.3(b) above, the Company cannot issue Securities (being a financial benefit) to Transcontinental Investments as a related party for the purposes of the Corporations Act unless either an exception applies or Shareholder approval is obtained.

The terms of Transcontinental Investments' firm commitment to subscribe have been negotiated with Patersons Securities, being an unrelated arm's length third party.

On this basis, the Directors (other Mr Trevisan) consider that Shareholder approval to issue Capital Raising Securities to Transcontinental Investments (or its nominee) pursuant to its firm commitment is not required as the terms of that agreement will be on arm's length terms. Accordingly, the exception under section 210 of the Corporations Act is applicable.

14.4 ASX Listing Rule requirements

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 11 for the purposes of obtaining approval under Listing Rule 10.11:

(a) **Name of the related party**

The related party is Transcontinental Investments (or its nominees).

(b) **Maximum number of securities to be issued**

The maximum number of Capital Raising Securities that may be issued to Transcontinental Investments (or its nominees) is as follows:

- (i) 1,250,000 Shares; and
- (ii) 1,625,000 Capital Raising Options.

(c) **Date by which securities will be issued**

It is proposed that the Capital Raising Securities be issued, subject to the Prospectus Offer closing with all conditions satisfied, on or about 15 December 2016.

In any event, the Capital Raising Securities will be issued to Transcontinental Investments (or its nominees) within 3 months' of the date of the Meeting at the same time as non-related investors under the Capital Raising, and it is intended that issue will occur on one date.

The Company was granted a waiver by ASX on 28 October 2016 permitting the Company to issue the Capital Raising Securities to related parties under Resolution 11 outside of the 1 month timeframe ordinarily required under Listing Rule 10.13.3.

(d) **Relationship requiring Shareholder approval**

Transcontinental Investments is controlled by Mr Simon Trevisan (a Director) and his associates. Accordingly, Transcontinental Investments is considered to be a related party for the purposes of the ASX Listing Rules.

(e) **Issue price of the securities**

The Shares will be issued at the same price as those issued under the Prospectus Offer, being \$0.20 each.

The Capital Raising Options will be issued for nil cash consideration on the basis outlined in Sections 14.1(a) and (b). Accordingly, funds will not be raised by the issue of the Capital Raising Options.

(f) **Use of (or intended use of) the funds raised**

The Company will raise \$250,000 from Transcontinental Investments' subscription under its firm commitment. The Company intends to use the funds raised for the same purpose as those raised under the Capital Raising set out in Section 7.8.

The Company will also raise \$650,000 if Transcontinental Investments (or its nominees) exercise the Capital Raising Options. These funds would be applied by the Company to its working capital requirements at that time.

14.5 Directors' recommendation

Mr Trevisan declines to make a recommendation on how Shareholders should vote in respect of Resolution 11 as he holds a material personal interest in the outcome of the Resolution.

The Directors (other than Mr Trevisan) recommend Shareholders vote in favour of Resolution 11 as it will assist the Company in promoting the Prospectus Offer and to raise necessary working capital

15. Resolution 12: Approval to issue Securities to Mr Bruce McCracken

15.1 Background

Resolution 12 seeks Shareholder approval under Listing Rule 10.11 for the Company to issue Capital Raising Securities to Mr Bruce McCracken (or his nominee) as a sub-underwriter to the Prospectus Offer.

Mr McCracken is a related party of the Company for the purposes of the ASX Listing Rules.

It is proposed that Mr McCracken (or his nominee) will enter a sub-underwriting agreement with Patersons Securities to sub-underwrite \$175,000 of the Public Offer. Mr McCracken is an investor to whom Securities may be offered without a prospectus or other disclosure document, under section 708 of the Corporations Act.

Resolution 12 is conditional upon Resolutions 4 to 11 and 13 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 12 will not have effect.

15.2 Sub-underwriting agreement

The proposed sub-underwriting agreement between Patersons Securities and Mr McCracken (or his nominee) has not, at the date of this Notice, been finalised and signed. However, a draft agreement has been prepared which contains the following material terms:

- (a) Mr McCracken agrees to sub-underwrite up to 875,000 Shares for \$175,000 from any shortfall in applications under the Public Offer, together with the one free-attaching Capital Raising Option for every two Shares subscribed otherwise available to the general public;
- (b) as a nominee of Patersons Securities, Mr McCracken will be entitled to receive one Capital Raising Option for every three Shares subscribed, from those Capital Raising Options to be issued to Patersons Securities under Resolution 10 – these Options will likely be subject to ASX imposed escrow restrictions for up to 24 months from issue;
- (c) the sub-underwriting agreement is conditional upon Patersons Securities entering into the Underwriting Agreement and the Company lodging a prospectus with ASIC and ASX for the Prospectus Offer; and
- (d) the sub-underwriting commitment is personal and may not be assigned or transferred to any other party without Patersons Securities' consent.

15.3 Applicable ASX Listing Rules

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities (e.g. Shares), or other securities with rights to conversion to equity, to a related party without shareholder approval.

Mr McCracken is a related party of the Company for the purposes of the ASX Listing Rules.

If Resolution 12 is approved, then approval is not required under ASX Listing Rule 7.1 which sets a restriction on companies issuing Equity Securities where the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

15.4 **Applicable Corporations Act provisions**

As outlined in Section 12.3(b) above, the Company cannot issue Securities (being a financial benefit) to Mr McCracken as a related party for the purposes of the Corporations Act unless either an exception applies or Shareholder approval is obtained.

The terms of the proposed sub-underwriting agreement for Mr McCracken will be negotiated with Patersons Securities, being an unrelated arm's length third party.

On this basis, the Directors (other Mr McCracken) consider that Shareholder approval to issue Capital Raising Securities to Mr McCracken (or his nominee) as a sub-underwriter is not required as the terms of that agreement will be on arm's length terms. Accordingly, the exception under section 210 of the Corporations Act is applicable.

15.5 **ASX Listing Rule requirements**

ASX Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 12 for the purposes of obtaining approval under Listing Rule 10.11:

(a) **Name of the related party**

The related party is Mr Bruce McCracken (or his nominee).

(b) **Maximum number of securities to be issued**

The maximum number of Capital Raising Securities that may be issued to Mr McCracken (or his nominee) is as follows:

- (i) 875,000 Shares; and
- (ii) 729,166 Capital Raising Options.

The number of Capital Raising Securities for which Mr McCracken will ultimately subscribe will depend upon the size of any shortfall of applications under the Prospectus Offer.

(c) **Date by which securities will be issued**

It is proposed that the Capital Raising Securities be issued, subject to the Prospectus Offer closing with all conditions satisfied, on or about 15 December 2016.

In any event, the Capital Raising Securities will be issued to Mr McCracken (or his nominee) within 3 months' of the date of the Meeting at the same time as non-related investors under the Capital Raising, and it is intended that issue will occur on one date.

The Company was granted a waiver by ASX on 28 October 2016 permitting the Company to issue the Capital Raising Securities to related parties under Resolution 12 outside of the 1 month timeframe ordinarily required under Listing Rule 10.13.3.

(d) **Relationship requiring Shareholder approval**

Mr McCracken is an Executive Director of the Company. Accordingly, he is considered to be a related party for the purposes of the ASX Listing Rules.

(e) **Issue price of the securities**

The Shares will be issued at the same price as those issued under the Prospectus Offer, being \$0.20 each.

The Capital Raising Options will be issued for nil cash consideration on the basis outlined in Sections 14.1(a) and (b). Accordingly, funds will not be raised by the issue of the Capital Raising Options.

(f) **Use of (or intended use of) the funds raised**

If Mr McCracken is required to subscribe for his full sub-underwriting commitment, the Company will raise \$175,000. The Company intends to use the funds raised for the same purpose as those raised under the Capital Raising set out in Section 7.8.

The Company will also raise \$291,666.40 if Mr McCracken (or his nominee) exercises the Capital Raising Options. These funds would be applied by the Company to its working capital requirements at that time.

15.6 **Directors' recommendation**

Mr McCracken declines to make a recommendation on how Shareholders should vote in respect of Resolution 12 as he holds a material personal interest in the outcome of the Resolution.

The Directors (other than Mr McCracken) recommend Shareholders vote in favour of Resolution 12 as it will assist the Company in promoting the Prospectus Offer and to raise necessary working capital.

16. Resolution 13: Appointment of Mr Andrew Lane as a Director

16.1 **Background**

Resolution 13 seeks Shareholder approval for the appointment of Mr Andrew Lane as a Non-Executive Director of the Company, on and from completion of the Acquisition.

Mr Lane has provided his consent to act as a Non-Executive Director of the Company following completion of the Acquisition.

Resolution 13 is conditional upon Resolutions 4 to 12 and 14 to 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 13 will not have effect.

16.2 **Biography**

Please refer to Section 7.4(f)(ii) above for Mr Lane's biography.

16.3 **Applicable Constitutional provisions**

Clause 56.3 of the Company's Constitution provides that the Company may appoint a person as a Director by resolution passed in a general meeting.

16.4 **Directors' recommendation**

The Directors consider that, following the change in the focus of the Company's activities following the Acquisition to that of the AssetOwl business, it is in the best interests of the Company for Mr Lane to become a Non-Executive Director of the Company at that time. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 13.

17. Resolution 14: Approval for change of name

17.1 **Background**

Resolution 14 seeks Shareholder approval to change the name of the Company from "Regalpoint Resources Limited" to "AssetOwl Limited" following the Acquisition.

If the Acquisition proceeds, the focus of the Company's activities will be the AssetOwl business rather than its existing mineral exploration projects. Accordingly, the Board considers it appropriate for the Company to change its name to reflect its new focus and activities.

Resolution 14 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

If approved, the change of name will take effect from when the Company lodges the prescribed form for the change of name with ASIC and ASIC alters the details of the Company's registration.

The Company has reserved the new ASX listing code of 'AO1' and will advise shareholders when the new ASX listing code will take effect.

Resolution 14 is conditional upon Resolutions 4 to 13 and 15 being approved by Shareholders. Accordingly, if any of those Resolutions are not approved, Resolution 14 will not have effect.

17.2 Applicable Corporations Act provisions

Section 157(1) of the Corporations Act provides that a company may change its name if approved by a special resolution of members.

17.3 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 14 so that the Company's name more accurately represents its primary operations and activities following the Acquisition.

18. Resolution 15: Approval to complete transactions

18.1 Background

Resolution 15 seeks Shareholder approval and authorisation for the Directors to complete the transactions contemplated under Resolution 9, notwithstanding any material personal interest in the same.

Resolution 9 seeks Shareholder approval for the Directors to be permitted to participate in the Capital Raising.

18.2 Applicable Corporations Act provisions

As outlined in Section 12.3, section 195(1) of the Corporations Act provides that a director who has a "material personal interest" in a matter being considered at a directors' meeting must not be present while the matter is being considered or vote on the matter.

As all of the Directors have a material personal interest in the outcome of Resolution 9. A quorum of Directors cannot be obtained to consider and vote on matters related to that Resolution unless Resolution 15 is approved.

If Resolution 15 is not approved, the Directors may not be able to form a quorum at a Directors' meeting so that they can carry out and complete the transactions contemplated under Resolution 9.

Accordingly, the Directors seek Shareholder approval under Resolution 15 to enable the Directors to consider and complete transactions contemplated under Resolution 9.

Glossary of defined terms

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

A\$ or \$	Australian dollars.
Acquisition	The sale and purchase of the Acquisition Shares by the Company from the Vendors under the Transaction Agreement.
Acquisition Shares	All of the issued AssetOwl Shares.
Annual General Meeting or Meeting	The annual general meeting of Shareholders or any adjournment thereof, convened by the Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2016, including the annual financial report, the Directors' report and the Auditor's report.
ASIC	The Australian Securities & Investments Commission.
AssetOwl	AssetOwl Pty Ltd (ACN 601 135 282).
AssetOwl Share	A share in AssetOwl.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
ASX Listing Rules	The listing rules of ASX, as amended from time to time.
Auditor	The auditor of the Company, BDO Audit (WA) Pty Ltd.
Board	The Board of Directors of the Company.
Business Day	Has the meaning given to that term in Chapter 19 of the ASX Listing Rules.
Capital Raising	The equity capital raising to be undertaken by the Company in the form of the Prospectus Offer, to raise \$3,500,000 (before costs).
Capital Raising Option	An Option on the terms and conditions set out in Schedule 4.
Capital Raising Securities	The Shares and Capital Raising Options to be issued under the Capital Raising.
Chairperson	The chair of the Annual General Meeting.
Class A Performance Right	A class A performance right granted by the Company on the terms and conditions set out in Schedule 5.
Class B Performance Right	A class B performance right granted by the Company on the terms and conditions set out in Schedule 5.
Class C Performance Right	A class C performance right granted by the Company on the terms and conditions set out in Schedule 5.

Closely Related Party	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none"> (a) a spouse or child of the member; (b) a child of the member's spouse; (c) a dependent of the member or the member's spouse; (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; (e) a company the member controls; or (f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Consideration Option	An Option on the terms and conditions set out in Schedule 3.
Consideration Securities	The Consideration Shares and Consideration Options.
Consideration Share	A Share to be issued to a Vendor at completion of the Acquisition under the Transaction Agreement.
Consolidation	A consolidation of the Company's share capital on a 10:1 basis.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholder	The holder of a Share as at the Priority Offer Record Date.
Equity Security	Has the meaning given to that term in ASX Listing Rule 19.12, being: <ul style="list-style-type: none"> (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.
Existing Option	An Option on issue at the date of this Notice, exercisable at \$0.02 (pre-Consolidation) on or before 30 September 2018.
Existing Share	A Share on issue at the date of this Notice.
Existing Shareholder	The holder of an Existing Share.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Management Platform	Has the meaning given to that term in Section 2 ('What does AssetOwl do and what is its business strategy?').
Major Vendor	A Vendor specified as a "Major Vendor" in Schedule 2.
Milestone	In relation to a Performance Right, the performance milestone to be achieved in order for the Performance Right to vest in the holder.
Minor Vendor	A Vendor specified as a "Minor Vendor" in Schedule 2.
Notice or Notice of Annual General Meeting	The notice of annual general meeting which accompanies this Explanatory Statement.
Option	An option to subscribe for a Share.
Patent Cooperation Treaty or PCT	<i>The Patent Cooperation Treaty</i> signed on 19 June 1970, amended on 28 September 1979, modified on 3 February 1984 and 3 October 2001.
Patersons Securities	Patersons Securities Limited (ACN 008 896 311).
Performance Right	A Class A Performance Right, Class B Performance Right or Class C Performance Right, as the context requires.
Priority Offer	The priority offer to Eligible Shareholders of up to 5,000,000 Shares under the Prospectus Offer, together with one free-attaching Capital Raising Option for every 2 Shares subscribed.
Priority Offer Record Date	5:00pm (WST) on Thursday, 10 November 2016.
Prospectus Offer	The offer to the public of 17,500,000 Shares at an issue price of \$0.20 each to raise \$3,500,000 (before costs), together with one free-attaching Capital Raising Option for every 2 Shares subscribed, as referred to in Section 11.1.
Proxy Form	The proxy form accompanying the Notice.
Regalpoint or Company	Regalpoint Resources Limited (ACN 122 727 342).
Remuneration Report	The remuneration report of the Company for the period ended 30 June 2016, appearing in the Director's report as set out in the Annual Report.
Resolution	A resolution set out in the Notice.
Section	A section of this Explanatory Statement.
Security	Has the meaning given to that term in section 92(4) of the Corporations Act.
Security Holder	The holder of a Security issued or granted by the Company.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share.
Terms Sheet	The Binding Terms Sheet dated 29 July 2016 between the Company, the Major Vendors and AssetOwl setting out the key terms for the Acquisition.
Transaction Agreement	The Share Sale and Purchase Agreement between the Company, the Vendors and AssetOwl dated on or about 3 November 2016.
Transcontinental Investments	Transcontinental Investments Pty Ltd (ACN 009 017 985).
Underwriting Agreement	The proposed Underwriting Agreement to be entered between the Company and Patersons Securities under which Patersons Securities will underwrite the subscription of up to 17,500,000 Shares under the Prospectus Offer, as contemplated at the date of this Notice.

Vendors	The shareholders in AssetOwl, being the persons specified in Section 9.3(d)
Vendor Securities	The Consideration Securities and the Performance Rights.
VWAP	The volume-weighted average price of Shares traded on ASX.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 1 – Pro Forma Statement of Financial Position

	Regalpoint Resources	AssetOwl	Pro forma adjustments	Pro-forma after Offer
	Audited as at 30- Jun-16	Audited as at 30- Jun-16	\$3.5 million	\$3.5 million
	\$	\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	1,097,149	50,701	3,470,049	4,617,899
Trade and other receivables	11,818	17,832	-	29,650
Other assets	-	1,434,719	(1,319,504)	115,215
TOTAL CURRENT ASSETS	1,108,967	1,503,252	2,150,545	4,762,764
NON CURRENT ASSETS				
Exploration expenditure	1,582,707	-	-	1,582,707
Intangible assets	-	100,000	4,336,231	4,436,231
TOTAL NON CURRENT ASSETS	1,582,707	100,000	4,336,231	6,018,938
TOTAL ASSETS	2,691,674	1,603,252	6,486,776	10,781,702
CURRENT LIABILITIES				
Trade and other payables	78,631	470,055	-	548,686
Provisions	-	14,304	-	14,304
R&D Funding	-	1,229,911	(1,229,911)	-
TOTAL CURRENT LIABILITIES	78,631	1,714,270	(1,229,911)	562,990
NON CURRENT LIABILITIES				
Deferred tax liabilities	-	-	1,000,669	1,000,669
TOTAL NON CURRENT LIABILITIES	-	-	1,000,669	1,000,669
TOTAL LIABILITIES	78,631	1,714,270	(229,242)	1,563,659
NET ASSETS/(LIABILITIES)	2,613,043	(111,018)	6,716,018	9,218,043
EQUITY				
Contributed equity	11,704,402	2,565,847	2,788,153	17,058,402
Reserves	59,361	-	1,451,000	1,510,361
Accumulated losses	(9,150,720)	(2,676,865)	2,476,865	(9,350,720)
TOTAL EQUITY	2,613,043	(111,018)	6,716,018	9,218,043

Schedule 2 – Vendors and Total Consideration

Vendor	Consideration Shares	Consideration Options	Performance Rights		
			Class A	Class B	Class C
Major Vendors					
Christopher Charles Indermaur and Rena Elizabeth Indermaur as trustees for the Indermaur Family Super Fund	2,847,000	949,000	2,847,000	1,423,500	1,423,500
Grace Audrey Pty Ltd (ACN 123 712 201) as trustee for both of the T & C Brady Superannuation Fund and the Brady Investment Trust	187,500	62,500	187,500	93,750	93,750
Imprint Investments Pty Ltd (ACN 604 122 849) as trustee for the Broadwater Trust	2,847,000	949,000	2,847,000	1,423,500	1,423,500
NCKH Pty Ltd (ACN 008 867 810) as trustee for the AML Trust	2,847,000	949,000	2,847,000	1,423,500	1,423,500
Ogee Australia Pty Ltd (ACN 008 725 531) as trustee for the Lane Superannuation Fund	2,847,000	949,000	2,847,000	1,423,500	1,423,500
Minor Vendors					
Broadway Pty Ltd (ACN 009 426 215) as trustee for the Criddle Family Trust	7,500	2,500	7,500	3,750	3,750
Criddle Holdings Pty Ltd (ACN 155 639 295) as trustee for the SJ Criddle Family Trust	1,500	5,00	1,500	750	750
David John Brady, Kathleen Ellen Brady and Robert Francis Brady as trustees for both of the Brady Family Trust and the Brady Superannuation Fund	1,899,000	633,000	1,899,000	949,500	949,500
Catherine Ellen Argall	1,516,500	505,500	1,516,500	758,250	758,250
TOTAL	15,000,000	5,000,000	15,000,000	7,500,000	7,500,000
Maiden Capital allocation	900,000	300,000	900,000	450,000	450,000
Vendor total after Maiden Capital allocation	14,100,000	4,700,000	4,700,000	3,750,000	3,750,000

Note: The shareholdings in AssetOwl and the allocation of Vendor Securities to each Vendor are stated as at the date of this Notice. These figures are subject to change. However, the total number of Vendor Securities to be issued will not increase.

Schedule 3 – Terms and Conditions of Consideration Options

1. Entitlement

Each Consideration Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.

2. No payment on grant

The Option Holder is not required to pay any amount on the grant of a Consideration Option.

3. Exercise price

The exercise price of each Consideration Option is \$0.25 (**Exercise Price**).

4. Expiry date

Each Consideration Option may be exercised at any time before 5.00pm (WST) on 31 March 2019 (**Expiry Date**). Any Consideration Option not exercised by the Expiry Date will automatically expire.

5. Certificate or holding statement

The Company must give the Option Holder a certificate or holding statement stating:

- (a) the number of Consideration Options issued to the Option Holder;
- (b) the Exercise Price of the Consideration Options; and
- (c) the date of issue of the Consideration Options.

6. Transfer

6.1 The Consideration Options are transferable, subject to any restrictions on transfer under the Corporations Act or the ASX Listing Rules.

6.2 Subject to the Corporations Act or the ASX Listing Rules, the Option Holder may transfer some or all of the Consideration Options at any time before the Expiry Date by:

- (a) a proper ASX Settlement transfer or any other method permitted by the Corporations Act; or
- (b) a prescribed instrument of transfer.

7. Instrument of transfer

An instrument of transfer of a Consideration Option must be:

- (a) in writing;
- (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
- (c) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
- (d) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Consideration Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Consideration Option, the right of the transferor to transfer that Consideration Option and the proper execution of the instrument of transfer.

8. Quotation of Consideration Options

The Directors may determine, at their sole discretion, that the Company will apply to ASX for official quotation of Consideration Options if the requirements for quotation under the ASX Listing Rules as satisfied. Until such an application is made, the Consideration Options will form a class of unquoted securities.

9. Quotation of Shares

The Company will apply to ASX for official quotation of the Shares issued on exercise of Consideration Options.

10. New issues

The Option Holder is not entitled to participate in any new issue to the Company's shareholders of securities in the Company unless they have exercised their Consideration Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the ASX Listing Rules.

11. Bonus issues

If the Company makes a bonus issue of Shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Consideration Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Consideration Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Consideration Option before the record date for determining entitlements to the issue.

12. Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Consideration Option before the record date for determining entitlements to the issue, the Exercise Price of each Consideration Option will be reduced in accordance with the ASX Listing Rules.

13. Reorganisation

13.1 If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Consideration Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

13.2 Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.

13.3 The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Consideration Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Consideration Option.

14. Exercise

14.1 To exercise Consideration Options, the Option Holder must give the Company or its securities registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Consideration Options being exercised and Shares to be issued;
- (b) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and

(c) any certificate for the Consideration Options.

14.2 The Option Holder may only exercise Consideration Options in multiples of 10,000 Consideration Options unless the Option Holder exercises all Consideration Options held by the Option Holder.

14.3 Consideration Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors.

15. Re-issue of certificate or holding statement

If the Option Holder exercises less than the total number of Consideration Options registered in the Option Holder's name:

(a) the Option Holder must surrender their Consideration Option certificate (if any); and

(b) the Company must cancel the Consideration Option certificate (if any) and issue the Option Holder a new Consideration Option certificate or holding statement stating the remaining number of Consideration Options held by the Option Holder.

16. Issue

16.1 Within 10 days after receiving an application for exercise of Consideration Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

16.2 Subject to the Company's Constitution, all Shares issued on the exercise of Consideration Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

17. Governing law

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Schedule 4 – Terms and Conditions of Capital Raising Options

1. Entitlement

Each Capital Raising Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company.

2. No payment on grant

The Option Holder is not required to pay any amount on the grant of a Capital Raising Option.

3. Exercise price

The exercise price of each Capital Raising Option is \$0.40 (**Exercise Price**).

4. Expiry date

Each Capital Raising Option may be exercised at any time before 5.00pm (WST) on 30 June 2019 (**Expiry Date**). Any Capital Raising Option not exercised by the Expiry Date will automatically expire.

5. Certificate or holding statement

The Company must give the Option Holder a certificate or holding statement stating:

- (a) the number of Capital Raising Options issued to the Option Holder;
- (b) the Exercise Price of the Capital Raising Options; and
- (c) the date of issue of the Capital Raising Options.

6. Transfer

6.1 The Capital Raising Options are transferable, subject to any restrictions on transfer under the Corporations Act or the ASX Listing Rules.

6.2 Subject to the Corporations Act or the ASX Listing Rules, the Option Holder may transfer some or all of the Capital Raising Options at any time before the Expiry Date by:

- (a) a proper ASX Settlement transfer or any other method permitted by the Corporations Act; or
- (b) a prescribed instrument of transfer.

7. Instrument of transfer

An instrument of transfer of a Capital Raising Option must be:

- (a) in writing;
- (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
- (c) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
- (d) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Capital Raising Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Capital Raising Option, the right of the transferor to transfer that Capital Raising Option and the proper execution of the instrument of transfer.

8. Quotation of Capital Raising Options

The Directors may determine, at their sole discretion, that the Company will apply to ASX for official quotation of Capital Raising Options if the requirements for quotation under the ASX Listing Rules as satisfied. Until such an application is made, the Capital Raising Options will form a class of unquoted securities.

9. Quotation of Shares

The Company will apply to ASX for official quotation of the Shares issued on exercise of Capital Raising Options.

10. New issues

The Option Holder is not entitled to participate in any new issue to the Company's shareholders of securities in the Company unless they have exercised their Capital Raising Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the ASX Listing Rules.

11. Bonus issues

If the Company makes a bonus issue of Shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Capital Raising Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Capital Raising Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Capital Raising Option before the record date for determining entitlements to the issue.

12. Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Capital Raising Option before the record date for determining entitlements to the issue, the Exercise Price of each Capital Raising Option will be reduced in accordance with the ASX Listing Rules.

13. Reorganisation

13.1 If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Capital Raising Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

13.2 Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.

13.3 The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Capital Raising Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Capital Raising Option.

14. Exercise

14.1 To exercise Capital Raising Options, the Option Holder must give the Company or its securities registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Capital Raising Options being exercised and Shares to be issued;

- (b) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
- (c) any certificate for the Capital Raising Options.

14.2 The Option Holder may only exercise Capital Raising Options in multiples of 10,000 Capital Raising Options unless the Option Holder exercises all Capital Raising Options held by the Option Holder.

14.3 Capital Raising Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors.

15. Re-issue of certificate or holding statement

If the Option Holder exercises less than the total number of Capital Raising Options registered in the Option Holder's name:

- (a) the Option Holder must surrender their Capital Raising Option certificate (if any); and
- (b) the Company must cancel the Capital Raising Option certificate (if any) and issue the Option Holder a new Capital Raising Option certificate or holding statement stating the remaining number of Capital Raising Options held by the Option Holder.

16. Issue

16.1 Within 10 days after receiving an application for exercise of Capital Raising Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

16.2 Subject to the Company's Constitution, all Shares issued on the exercise of Capital Raising Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

17. Governing law

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Schedule 5 – Terms and Conditions of Performance Rights

1. Defined terms

In these Terms, the following words have the meaning given to them below:

Accounting Standards means:

- (a) the applicable accounting standards under the Corporations Act (if any), including International Financial Reporting Standards as applied in Australia;
- (b) to the extent not inconsistent with the accounting standards described in paragraph (a) of this definition, generally accepted accounting principles and practices in Australia consistently applied; and
- (c) to the extent not inconsistent with the accounting standards described in paragraphs (a) and (b) of this definition, the standards, requirements and practices consistently applied to the Company or AssetOwl (as the context requires) since its incorporation.

Acquisition Shares means 100% of the shares in AssetOwl.

Actual R&D Tax Rebate Receivable means the actual R&D Tax Rebate received by AssetOwl in respect of the financial year ending 30 June 2017.

ASIC means the Australian Securities & Investments Commission.

AssetOwl means AssetOwl Pty Ltd (ACN 601 135 282).

AssetOwl Purchase Agreement means the Share Sale and Purchase Agreement dated [insert] November 2016 under which the Company agreed to purchase the Acquisition Shares.

ASX means ASX Limited (ACN 008 624 691), or the securities market operated by ASX Limited known as the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Business Day means a day other than a Saturday, Sunday or public holiday in Perth, Western Australia.

Cash Entitlement has the meaning given to that term in paragraph 6.1(a).

Cleansing Statement means a written notice issued by the Company to ASX pursuant to section 708A(5) of the Corporations Act, meeting the requirements of section 708A(6) of the Corporations Act.

Commercialisation Grant means an accelerating commercialisation grant from any department of the Government of the Commonwealth of Australia made pursuant to the Accelerated Commercialisation Program established under the *Industry Research and Development Act 1986* (Cth).

Completion Date means the date that completion of the sale and purchase of all of the Acquisition Shares under the AssetOwl Purchase Agreement.

Company means Regalpoint Resources Limited (ACN 122 727 342).

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

Entitlement means the Share Entitlement or the Cash Entitlement, as the case may be.

Expert means BDO Australia.

Financial Statements means the Company's financial statements for a half financial year or a complete financial year (as applicable) prepared in accordance with the Accounting Standards and

either audited or audit reviewed in accordance with the audit requirements applicable to a publicly listed company under the Corporations Act.

Holder means the person or entity to whom the Performance Right is granted.

Management Platform means the cloud-based enterprise asset visibility and change software platform owned and developed by AssetOwl at the date of these Terms, being the subject of international patent application number PCT/AU2015/050579.

Milestone means, in relation to a class of Performance Rights, the milestone specified in paragraph 6.1(a) for that class of Performance Rights.

Net Indebtedness has the meaning given to “Net Indebtedness” in the AssetOwl Purchase Agreement.

Performance Right means a Class A Performance Right, Class B Performance Right or Class C Performance Right granted under these Terms, as the context requires.

R&D Tax Rebate means a research and development tax refund from the Government of the Commonwealth of Australia.

Related Party has the meaning given to that term in section 228 of the Corporations Act.

Share means a fully paid ordinary share in the Company.

Share Entitlement has the meaning given to that term in paragraph 6.1(a).

Shareholder means a holder of a Share.

Store means a store, shop or business premises utilising one or more services provided by AssetOwl and, for a store, shop or business premises which has more than one floor or level, each floor or level of that store, shop or business premises.

Targeted R&D Tax Rebate Receivable has the meaning given to “R&D Tax Rebate Receivable” under the AssetOwl Purchase Agreement.

Terms means these terms and conditions of grant which apply to the Performance Rights.

Year 1 means the period commencing on 1 January 2017 and concluding on 31 December 2017.

Year 1 NPBT means the net profit before tax of the Company for the period of Year 1 determined by reference to the Financial Statements applicable to Year 1, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

Year 1 Revenue means revenue of the Company for the period of Year 1 determined by reference to the Financial Statements applicable to Year 1.

Year 1 Stores means the number of Stores as at the end of Year 1, whether or not any one or more Stores is owned by Related Parties.

Year 2 means the period commencing on 1 January 2018 and concluding on 31 December 2018.

Year 2 NPBT means the net profit before tax of the Company for the period of Year 2 determined by reference to the Financial Statements applicable to Year 2, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

Year 2 Revenue means revenue of the Company for the period of Year 2 determined by reference to the Financial Statements applicable to Year 2.

Year 2 Stores means the number of Stores as at the end of Year 2, whether or not any one or more Stores is owned by Related Parties.

Year 3 means the period commencing on 1 January 2019 and concluding on 31 December 2019.

Year 3 NPBT means the net profit before tax of the Company for the period of Year 3 determined by reference to the Financial Statements applicable to Year 3, excluding for the purposes of calculation, any costs incurred by the Company with respect to its proposed re-compliance with Chapters 1 and 2 of the ASX Listing Rules, and any reasonable corporate costs incurred by the Company in good faith.

Year 3 Revenue means revenue of the Company for the period of Year 3 determined by reference to the Financial Statements applicable to Year 3.

Year 3 Stores means the number of Stores as at the end of Year 3, whether or not any one or more Stores is owned by Related Parties.

2. Interpretation

- (a) In these Terms, unless the context otherwise requires:
- (i) If a word or phrase is defined, then its other grammatical forms have a corresponding meaning.
 - (ii) The singular includes the plural and vice versa.
 - (iii) A reference to a gender includes any gender.
 - (iv) A reference to a document includes a variation or replacement of that document.
 - (v) A reference to a statute includes its subordinate legislation, proclamations, ordinances and a modification, replacement or re-enactment of the same.
 - (vi) A reference to person, includes a reference to an individual, a body corporate, a trust, a partnership, a joint venture an unincorporated body or other entity, whether or not it is a separate legal entity, and the person's successors and assigns.
 - (vii) A reference to currency is to the Australian currency unless expressly stated otherwise.
 - (viii) A reference to time is to Australian Western Standard Time in Perth, Western Australia.
 - (ix) A provision of these Terms must not be construed adversely to a party solely on the ground that the party was responsible for the preparation of these Terms or that provision.
 - (x) A heading in these Terms is for convenience only and does not affect interpretation.
- (b) In calculating the corporate costs for the Year 1 NPBT, Year 2 NPBT and Year 3 NPBT:
- (i) any net costs of operating the Business which have been reallocated to corporate costs of the Company will not be excluded;
 - (ii) costs and expenditure which are incurred by a publicly listed company in the ordinary course of business but not a proprietary company will be included, such as (as applicable):
 - A. security registry costs;
 - B. ASX fees and costs;
 - C. director fees (other than to the extent that they relate to the operation of AssetOwl or the Business, or are otherwise recorded in AssetOwl's financial statements);
 - D. audit fees;

- E. costs of communicating with shareholders; and
- F. costs of calling and holding annual general meetings; and company secretarial costs.

3. Classes and terms of Performance Rights

The following classes of Performance Rights are granted by the Company on and subject to these Terms:

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

4. Consideration

Each Performance Right is granted in consideration of the Holder selling to the Company the Acquisition Shares held by the Holder, under the AssetOwl Purchase Agreement.

5. Vesting

- (a) Subject to paragraphs 5(b), 6.2, 6.3, 6.4 and 17, a Performance Right automatically vests in the Holder upon the Milestone for that Performance Right being achieved or otherwise satisfied, following which the Holder may elect to receive the Holder's Entitlement.
- (b) Each of the items in the Milestone for a Performance Right is a separate and several milestone which, upon being achieved, entitles the Holder to receive the corresponding portion of vested Performance Rights set out in the table in section 6.1(a).

6. Milestones and Entitlement

6.1 General

- (a) Subject to this paragraph 6 and any applicable requirements of the ASX Listing Rules, each Performance Right that has vested on achieving the Milestone in the table below entitles the Holder to receive either of the following, at the Company's discretion:
 - (i) one Share for each vested Performance Right (**Share Entitlement**); or
 - (ii) the cash amount (**Cash Amount**) in the table below for each vested Performance Right, in lieu of issuing the Share Entitlement (**Cash Entitlement**):

Class	Milestone	Portion of Performance Rights that vest on achieving Milestone	Cash Amount (per vested Performance Right)
Class A Performance Right	The Year 1 Stores being at least 320.	33⅓%	\$0.20
	The Year 1 Revenue being at least \$3,008,000.	33⅓%	
	The Company breaking-even in relation to the Year 1 NPBT.	33⅓%	
Class B Performance	The Year 2 Stores being at least 1,152.	33⅓%	The higher of \$0.40 and the

Right	The Year 2 Revenue being at least \$5,760,000.	33⅓%	VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 2.
	The Year 2 NPBT being at least \$1,792,000.	33⅓%	
Class C Performance Right	The Year 3 Stores being at least 1,408.	33⅓%	The higher of \$0.40 and the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3.
	The Year 3 Revenue being at least \$10,400,000.	33⅓%	
	The Year 3 NPBT being at least \$5,696,000.	33⅓%	

- (b) The Company must notify the Holder whether the Company elects to provide the Share Entitlement or the Cash Entitlement (Entitlement Notice) within 10 Business Days of the later of:
- (i) the end of each of Year 1, Year 2 and Year 3, if one or more Milestones are achieved in that relevant Year; and
 - (ii) the date by which the Company determines whether a Milestone has been achieved.
- (c) The Company's obligations to the Holder in relation to a Performance Right are discharged and satisfied in full upon issuing the Share Entitlement or paying the Cash Entitlement (as applicable) for that class of Performance Rights.
- (d) Any fractional entitlement to a Share that arises in calculating the Share Entitlement will be rounded to the nearest whole number.
- (e) If there is any bona fide dispute as to whether a Milestone for a Performance Right has been achieved and such dispute is not resolved within 10 Business Days of the dispute arising:
- (i) the Company will, at the Company's cost, refer the dispute to the Expert for determination;
 - (ii) the Expert will act as expert and not as arbitrator; and
 - (iii) the Company and the Holder agree that the determination of the Expert is, in the absence of a manifest error, conclusive and binding on the Company and the Holder.

6.2 Adjustment to Share Entitlement for Class B Performance Rights

- (a) In the event that the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3, less a discount of 10%, is greater than \$0.40, the total number of Class B Performance Rights across the class that will vest will be adjusted and reduced so that the total Shares that may be issued on vesting will be equal in value to \$3,000,000 at a deemed issue price per Share equal to the Cash Amount for Class B Performance Rights.
- (b) If an adjustment occurs under paragraph 6.2(a), the Share Entitlement of each Holder will be adjusted as follows:
- (i) the number of Class B Performance Rights which will vest in the Holder will be reduced in proportion to the adjustment under paragraph 6.2(a) such that the Holder will receive the same proportion of the total Shares that may be issued on vesting of the Class B Performance Rights as the Holder would have received prior to the adjustment;

- (ii) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under paragraph 6.2(b)(i) will be rounded to the nearest whole number; and
- (iii) the remaining unvested Class B Performance Rights held by the Holder will automatically lapse and are cancelled.

6.3 Adjustment to Share Entitlement for Class C Performance Rights

- (a) In the event that the VWAP of Shares traded on ASX over the 14 trading days prior to the end of Year 3 is greater than \$0.40, the total number of Class C Performance Rights across the class that will vest will be adjusted and reduced so that the total Shares that may be issued on vesting will be equal in value to \$3,000,000 at a deemed issue price per Share equal to the Cash Amount for Class C Performance Rights.
- (b) If an adjustment occurs under paragraph 6.3(a), the Share Entitlement of each Holder will be adjusted as follows:
 - (i) the number of Class C Performance Rights which will vest in the Holder will be reduced in proportion to the adjustment under paragraph 6.3(a) such that the Holder will receive the same proportion of the total Shares that may be issued on vesting of the Class C Performance Rights as the Holder would have received prior to the adjustment;
 - (ii) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under paragraph 6.3(b)(i) will be rounded to the nearest whole number; and
 - (iii) the remaining unvested Class C Performance Rights held by the Holder will automatically lapse and are cancelled.

6.4 R&D Tax Rebate and Net Indebtedness adjustment

- (a) In the event that the Actual R&D Tax Rebate Receivable is less than the Targeted R&D Tax Rebate Receivable or the actual Net Indebtedness at the Completion Date is greater than \$140,000 (each a Shortfall), at the Company's discretion, the total number of Performance Rights of any class (Relevant Class) that will vest will be adjusted and reduced by the value of the Shortfall, on the basis that each Performance Right in the Relevant Class has a deemed value for the purposes of this calculation) equal to the Cash Amount for the Relevant Class.
- (b) If an adjustment occurs under paragraph 6.4(a), the Share Entitlement of each Holder will be adjusted as follows:
 - (i) the number of Performance Rights in the Relevant Class which will vest will be reduced in proportion to the adjustment under paragraph 6.4(a) such that the Holder will receive the same proportion of Shares from the total Shares issued on vesting of the Relevant Class as the Holder would have received prior to the adjustment;
 - (ii) any fractional entitlement to a Share that arises in calculating the adjusted Share Entitlement under paragraph 6.4(b)(i) will be rounded to the nearest whole number; and
 - (iii) the remaining unvested Performance Rights in the Relevant Class held by the Holder will automatically lapse and are cancelled.
- (c) The Company is not required to provide the Entitlement for any class of Performance Rights until the Commercialisation Grant is received, the Actual R&D Tax Rebate Receivable is received and the Net Indebtedness is finally determined.

7. Expiry

Each Performance Right that has not vested will automatically expire and terminate at midnight on the last day by which the Milestone for that Performance Right must be achieved.

8. Transfer and encumbrances

- (a) A Performance Right is not transferrable.
- (b) A Holder must not grant or permit any security interest or other encumbrances over a Performance Right.

9. Quotation of Performance Rights

The Company will not apply for quotation of any class of Performance Right.

10. Quotation of Shares

If the Share Entitlement is issued for a class of Performance Rights, the Company will apply to ASX for official quotation of those Shares.

11. New issues

A Holder is not entitled to participate in any new issue to Shareholders of securities in the Company unless the Holder's Performance Rights have vested and the Share Entitlement has been issued before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares.

12. Participation in entitlements and bonus issues

A Performance Right does not entitle a Holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to Shareholders, such as a bonus issue or an entitlement issue.

13. Reorganisation

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Holder in relation to each class of Performance Rights held by the Holder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made in relation to paragraph 13(a) will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder.
- (c) The Company must, within a reasonable period of a reorganisation under paragraph 13(a) occurring, give to the Holder notice of any change to the Cash Amount or the number of Shares which the Holder is entitled to receive under the Share Entitlement.

14. Issue of Share Entitlement

- (a) If the Company elects to provide the Share Entitlement for a class of Performance Rights, the Company must issue to the Holder the Share Entitlement for that class within 10 days after the later of:
 - (i) the date that the Company determines that the Milestone has been achieved;
 - (ii) issuing the Election Notice; and
 - (iii) the date that the Cash Amount is determined.
- (b) Subject to the Company's Constitution, all Shares issued in relation to the Share Entitlement for a class of Performance Rights will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

15. Secondary trading restrictions

- (a) Subject to paragraph (b), the Company must lodge with ASX a duly completed Cleansing Statement within 5 Business Days of issuing a Share Entitlement.
- (b) If the Company is unable to issue a Cleansing Statement in relation to any Shares under the Share Entitlement due to an inability to satisfy the conditions set out in section 708A(5) or (6) of the Corporations Act (including if the Shares having been suspended from trading on ASX for more than 5 trading days during the 12 months prior to an issue of the Share Entitlement):
 - (i) the Company must, as soon as reasonably practicable, lodge with ASIC a prospectus prepared in accordance with Chapter 6D of the Corporations Act offering Shares (**Cleansing Prospectus**);
 - (ii) the Company is not required to issue the Share Entitlement prior to the Cleansing Prospectus being lodged with ASIC unless the Holder elects, by notice in writing to the Company, to receive the Share Entitlement (**Issuance Election**), in which case:
 - A. the Holder undertakes not to sell or otherwise dispose of those Shares prior to lodgement of the Cleansing Prospectus with ASIC, otherwise than to a sophisticated investor or a professional investor under section 708(8), section 708(10) or section 708(11) of the Corporations Act; and
 - B. the Company is authorised to instruct its securities registry to place a holding lock on those Shares until the Cleansing Prospectus is lodged.
- (c) Unless the Holder has made an Issuance Election, the Company is not required to issue a Share Entitlement until the date that a Cleansing Prospectus is lodged with ASIC.
 - (i) As an alternative to lodging a Cleansing Prospectus, the Company may, in its discretion, apply to ASIC for relief under section 741 of the Corporations Act to permit the Company to issue a Cleansing Statement (**Relief Application**) notwithstanding that it may not satisfy the requirements set out in section 708A(5) or (6) of the Corporations Act, in which case the Holder may make an issuance election provided that:
 - A. the Holder undertakes not to sell or otherwise dispose of those Shares prior to ASIC granting the Relief Application and the Company issuing a Cleansing Statement, otherwise than to a sophisticated investor or a professional investor under section 708(8), section 708(10) or section 708(11) of the Corporations Act; and
 - B. the Company is authorised to instruct its securities registry to place a holding lock on those Shares until a Cleansing Statement or Cleansing Prospectus is lodged.

16. Vesting on change of control

In the event that either:

- (a) a takeover bid under Chapter 6 of the Corporations Act is made in respect of the Company under which acceptances have been received for more than 50% of the Company's shares on issue and the bid is declared unconditional by the bidder; or
- (b) a Court grants 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 (including under Part 5.1 of the Corporations Act,

prior to the Milestones being achieved for one or more classes of Performance Rights (**Unvested Rights**), then:

- (c) subject to paragraph 16(a), all of the Unvested Rights on issue will vest Shares equal in number to 10% of the Shares on issue at the date of vesting under this paragraph 16;
- (d) the vesting will be completed on a pro rata basis for each Holder; and
- (e) if the Company has other classes of performance rights on issue (**Other Performance Rights**) with rights of vesting that are of the same or substantially similar nature to paragraph 16(c) (**Trigger Events**):
 - (i) the total number of Shares that may be issued under paragraph 16(c), when aggregated with all Shares issued on vesting of Other Performance Rights due to a Trigger Event, must not exceed 10% of the Shares on issue as at the date of vesting; and
 - (ii) the number of Shares that will be issued under paragraph 16(c) will be calculated as follows:

$$\text{Number of Shares} = (A / B) \times 100 \times C$$

where:

A = the number of Unvested Rights on issue as at the date of vesting;

B = the total number of Unvested Rights and Other Performance Rights on issue as at the date of vesting; and

C = the number representing 10% of the Shares on issue as at the date of vesting.

17. Deferral of vesting

If the vesting of any class of Performance Rights (or any part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act (**Takeover Restriction**) then:

- (a) The vesting of those Performance Rights (or any part thereof) will be deferred until such later time or times that the vesting would not result in a contravention of the Takeover Restriction.
- (b) A Holder may give written notification to the Company if they consider that the vesting of those Performance Rights (or any part thereof) may result in the contravention of the Takeover Restriction, failing which the Company may assume the vesting of those Performance Rights will not result in any person being in contravention of the Takeover Restriction.
- (c) 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 17(b) within 7 days if the Company considers that the vesting of those Performance Rights (or any part thereof) may result in a contravention of the Takeover Restriction. If the Holder does not give notification to the Company within 7 days that they consider the vesting of the Performance Rights (or part thereof) may result in the contravention of the Takeover Restriction, then the Company may assume that the vesting of those Performance Rights (or part thereof) will not result in any person being in contravention of the Takeover Restriction.

18. Amendments required by ASX

These Terms may be amended as necessary by the Company's Board of Directors in order to comply with the ASX Listing Rules (if applicable), or any directions of ASX (if applicable) regarding the Terms, provided that, subject to compliance with the ASX Listing Rules, the economic and other rights of the Holder are not diminished or terminated following such amendment.

19. Governing law

These Terms and the rights and obligations of the Holder are governed by the laws of Western Australia. The Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia in this respect.

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