

ASX Announcement
(ASX: UPD)
3 May 2016

NOTICE OF ANNUAL MEETING

Updater Inc. (ASX: UPD) (“Updater” or the “Company”) is providing the attached Notice of Annual Meeting and Proxy Statement to all Shareholders of the Company (both holders of common stock and CDIs). A sample CDI Voting Instruction Form has been filed with this Notice of Annual Meeting.

For more information, please contact:

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About Updater:

Updater makes moving easier for the 17 million households that relocate every year in the US. With Updater, users seamlessly transfer utilities, update accounts and records, forward mail, and much more. Hundreds of the most prominent real estate companies in the US (from real estate brokerages to property management companies) rely on Updater’s real estate products to save clients hours with a branded and personalised Updater moving experience. With significant market share of all US household moves, Updater can enable contextual and personalised communication between relocating consumers and the US businesses spending billions of dollars trying to reach them.

Updater is headquartered in New York City, and prior to listing on the ASX, Updater received significant investments from leading US venture capital firms including SoftBank Capital, IA Ventures, and Second Century Ventures (the strategic investment division of the National Association of REALTORS®).

For more information, please visit www.updater.com

To our Shareholders,

Updater Inc. (ASX: UPD) (“Updater” or the “Company”) is pleased to invite you to attend its 2016 Annual Meeting of Shareholders (the “Annual Meeting”). The Annual Meeting will be held at The Auditorium, DEXUS Place, Level 14, 385 Bourke Street Melbourne, Victoria, Australia on Friday, 27 May 2016 at 9.00am Australian Eastern Standard Time (Thursday, May, 26 2016 at 7.00pm US Eastern Daylight Time).

The matters to be considered and voted on at the Annual Meeting are described in the accompanying Notice of 2016 Annual Meeting of Shareholders (The "Notice of Annual Meeting") and Proxy Statement. Following the formal business of the meeting, the CEO will provide Shareholders with an update on our business and answer Shareholder questions.

All Shareholders are invited to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, please submit your Proxy Card or CDI Voting Instruction Form as soon as possible so that your applicable Shares or CDI's can be voted at the Annual Meeting. For specific instructions on voting, please refer to the Notice of Annual Meeting and Proxy Statement and the Proxy Card or CDI Voting Instruction Form, as applicable. If you hold your Shares or CDIs through an account with a brokerage firm, bank, or other nominee, please follow the instructions you receive from such nominee to vote your Shares or CDIs.

We look forward to seeing you at the Annual Meeting.

Yours faithfully,

David Greenberg
Founder and CEO

All capitalised terms used in the Notice of Annual Meeting and Proxy Statement and not otherwise defined shall have the meaning ascribed in the Company's Annual Report, dated 31 March 2016.

**NOTICE OF
2016 ANNUAL MEETING OF SHAREHOLDERS**

To be held on
27 May 2016 (Australia)
May 26, 2016 (U.S.)

The 2016 Annual General Meeting (the “AGM” or the “Annual Meeting”) of Shareholders of Updater Inc. (“Updater” or the “Company”) will be held at Level 14, 385 Bourke Street Melbourne, Victoria, Australia on Friday, 27 May 2016 at 9.00am Australian Eastern Standard Time (Thursday May 26 2016 at 7.00pm US Eastern Daylight Time) for the following purposes:

1. Election of Antony Catalano as a Director

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

“That Mr. Antony Catalano is hereby elected as a Director of the Company pursuant to Section 3.03 of the Company’s Bylaws.”

2. Grant of Stock Options to Mr. Antony Catalano, a Director of the Company

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

“That approval is given, for the purpose of ASX Listing Rule 10.14 and all other purposes, for the Company to grant options to purchase 100,000 shares of common stock (equivalent to 2,500,000 CDIs), under the 2010 Stock Incentive Plan, to Mr. Antony Catalano.”

3. Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, approval is given for the issuance of up to 10% of the issued capital of the Company calculated in accordance with the formula set forth in ASX Listing Rule 7.1A.2."

Board recommendations

The Board of Directors recommends that our Shareholders vote “FOR” items 1, 2 and 3; except for Antony Catalano who abstains from making a recommendation on Items 1 and 2 due to his personal interest in those proposals.

Record Date and Voting Rights

Shareholders may vote at the Annual Meeting if they are a Shareholder of record, hold CHESS Depositary Interests (“CDIs”), or are a beneficial owner of Shares or CDIs held in Street Name (as defined below) on 5 May 2016 at 7.00pm Australian Eastern Standard Time (the “Record Date”). Section 2.05 and 2.11 of the Company’s Bylaws provide that the Record Date must be at least ten (10) days prior to the Annual Meeting.

Holders of CDIs as at the close of business on the Record Date, are entitled to receive notice of the Annual Meeting and to attend the Annual Meeting or any adjournment or postponement of the Annual Meeting. Holders of CDIs may also instruct our CDI depositary, CHESS Depositary Nominees Pty Ltd (“CDN”), to vote the Shares underlying their CDIs by following the instructions on the CDI Voting Instruction Form or by voting online at www.investorvote.com.au. CDN will vote the applicable Shares on behalf of each applicable CDI holder at the Annual Meeting in accordance with the instructions received via the CDI Voting Instruction Form or online from each of the applicable CDI holders.

Any Shareholder may request access to the list of Shareholders of Record entitled to vote at the Annual Meeting upon request to the Company’s Secretary.

The Proxy Statement that accompanies and forms part of this Notice of Annual Meeting (this “Notice”) provides information in relation to each of the matters to be considered. This Notice and the Proxy Statement should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their legal counsel, accountant, solicitor, or other professional advisor prior to voting.

Dated this 3 May 2016.

By Order of the Board

Scott Mison
Company Secretary

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2016 ANNUAL MEETING OF SHAREHOLDERS:

This Notice of Annual Meeting and Proxy Statement and the 2015 Annual Report are available at www.updater.com

Proxy Statement

2016 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON 27 MAY 2016

The Board of Directors of Updater Inc. (the “Company”) is soliciting proxies for use at the 2016 Annual Meeting of Shareholders (the “Annual Meeting”) to be held at Level 14, 385 Bourke Street Melbourne, Victoria, Australia on Friday, 27 May 2016 at 9.00am Australian Eastern Standard Time (Thursday, May 26 2016 at 7.00pm U.S. Eastern Standard Time) and at any adjournment or postponement of the meeting. We expect to send this proxy statement (this “Proxy Statement”) and the accompanying Notice of the 2016 Annual Meeting (the “Notice of Annual Meeting”) to Shareholders during the week of 2 May 2016.

QUESTIONS AND ANSWERS

What is the purpose of the Annual Meeting?

At the Annual Meeting, the Shareholders are invited to act upon the items and proposals outlined in the Notice of Annual Meeting. At the Annual Meeting, the CEO will also report on matters of current interest to Shareholders and respond to any questions from Shareholders. The matters outlined in the Notice of Annual Meeting include:

- The election of Mr. Antony Catalano as a Director (“Item 1”);
- The grant of stock options to Mr. Antony Catalano, a Director of the Company (“Item 2”); and
- The approval of a 10% placement facility (“Item 3”)

Who is entitled to vote at the Annual Meeting?

Only those Shareholders of record, or beneficial owners of Shares, on 5 May 2016 at 7.00pm Australian Eastern Standard Time, (5.00am U.S. Eastern Standard Time) (the “Record Date”), will be entitled to vote at the meeting and any adjournment or postponement thereof.

There are currently 17,100,112 Shares of common stock outstanding (equivalent to 427,502,800 CDIs), all of which are entitled to vote with respect to the items to be acted upon at the Annual Meeting, subject to applicable voting exclusions. Therefore, there are a total of 17,100,112 votes entitled to be cast at the Annual Meeting.

Each Share of common stock is entitled to one vote per Share. Each CHES Depositary Interest (“CDI”) represents 1/25 of a Share of common stock.

Votes for, against and abstentions will all be counted as present and entitled to vote for purposes of determining whether a quorum is present.

Will any Shareholders be excluded from voting on any of the items?

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast on certain resolutions by certain persons.

Item 2 - The Company must disregard votes cast on Item 2 by members of the Board of Directors and their associates.

Item 3 - The Company must disregard any votes cast on Item 3 by a person who may participate in the proposed issue of any Shares under the additional 10% placement capacity, and any of their associates, and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares or CDIs, and any of their associates, if the resolution under Item 3 is passed.

However, the Company need not disregard a vote cast on Items 2 or 3 if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Card or CDI Voting Instruction; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy card to vote as the proxy decides.

As at the date of this Notice of Meeting, the Company has no specific plans to issue equity securities under ASX Listing Rule 7.1A and therefore it is not known who, if any, may participate in future potential issues of equity securities, if any, under ASX Listing Rule 7.1A. Accordingly, as at the date of this Proxy Statement, the Company is not aware of any person who would be excluded from voting on Item 3.

How many Shares must be present for voting to hold the meeting?

Pursuant to Section 2.06 of the Company's Bylaws, the holders of a majority of the Shares issued and outstanding and entitled to vote at the Annual Meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business. Shares are counted as present at the Annual Meeting if:

- The Shareholder of record on the Record Date is present in person at the Annual Meeting;
- The Shareholder of record on the Record Date, or the applicable beneficial owner, has properly submitted a proxy in a timely fashion.

Abstentions and shares represented by "broker non-votes" are counted for the purpose of determining the presence of a quorum.

What is a proxy?

If you designate another person or entity to vote Shares that you own, such other person or entity is referred to as your proxy. If you designate someone as your proxy in a written document, that document is also called a proxy or a proxy card. When you designate a proxy, you may also direct the proxy how to vote your Shares. This is referred to as your “proxy vote”.

What is the difference between a Shareholder of record and a “Street Name” holder?

If you own Shares registered directly in your name with the Company’s U.S. share registrar, Computershare, you are considered the Shareholder of record with respect to those Shares. As a Shareholder of record, you have the right to grant your voting proxy directly to the Company or to vote in person at the Annual Meeting.

If your Shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the Shareholder of record with respect to those Shares, while you are considered the beneficial owner of those Shares and your Shares are held in street name (“Street Name”). Street Name holders generally cannot vote their Shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their Shares using the method described in the notice that such broker, bank, trust or other nominee sends to the Street Name holders. Since a Street Name holder is not the Shareholder of record, the Street Name holder may not vote their Shares in person at the Annual Meeting unless such holder obtains a “legal proxy” from their applicable broker, bank, trustee, or nominee giving such holder the right to vote the Shares at the meeting.

CHESS Depositary Nominees Pty Ltd (“CDN”) is the Shareholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of the Annual Meeting and attend the Annual Meeting and may direct CDN to vote at the Annual Meeting as described in this Proxy Statement.

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

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

Can I vote my Shares or CDIs in person at the meeting?

Please Note: *You may only vote your Shares in person at the meeting by completing a ballot at the meeting if you own common stock and are a Shareholder of record on the Record Date.*

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

If you are a Street Name holder of common stock, you may vote your Shares in person at the meeting only if you obtain and bring to the meeting a signed letter or other form of proxy from your broker, bank, trust or other nominee giving you the right to vote the Shares at the meeting.

How do I vote my Shares of common stock?

Shareholders are entitled to vote if they are a Shareholder on the Record Date regardless of whether they attend the Annual Meeting.

At the Annual Meeting, every holder of common stock present in person or by proxy, is entitled to one vote for each Share of common stock held on the Record Date on all matters submitted to a vote of the Shareholders.

If you are a Shareholder of record on the Record Date, you can vote in person at the Annual Meeting or by using the Common Stock Proxy Card (the "Proxy Card") as set forth in the box below:

Proxy Card (for common Stock – no online voting available)	
By mail	Computershare Investor Services PO Box 30202 College Station, TX 77842-9009
By phone	Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch-tone telephone. Follow the instructions provided by the recorded message.

How do I vote if I hold CDIs?

Important: If you are a *CDI holder*, you must take one of the following actions in order to vote at the Annual Meeting:

- a) Instructing CDN, as the Shareholder of record, to vote the Shares underlying your CDIs pursuant to your instructions in the CDI Voting Instruction Form provided to Computershare via one of the options set forth in the box below.
- b) Converting your CDIs into Shares of common stock and voting such Shares at the meeting in person or by proxy.

Note: In order to vote as a common stock holder in person at the meeting, such conversion to common stock must be completed prior to the Record Date. CDI holders should contact Computershare, the share registry, for information regarding the conversion process. If CDI holders convert their holding to common stock prior to the Record Date, then they may follow the instructions above for voting as a common stock holder.

- c) Informing the Company that you wish to nominate yourself or another person to be appointed as CDN's proxy with respect to the Shares underlying your CDIs for the purposes of attending and voting at the Annual Meeting. Step 1 in the CDI Voting Instruction Form enables such selection.

Each CDI represents 1/25 of a Share of common stock. Therefore, each CDI Holder will be entitled to one vote for every 25 CDIs that they hold.

CDI Voting Instruction Form (Australian Register)	
Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your CDI Voting Instruction Form and follow the prompts
Custodian Voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

How do I vote if I am a Street Name holder?

If you hold your Shares or CDIs in Street Name, you must vote your Shares or CDIs in the manner set forth by your broker, bank, trust or other nominee, which is similar to the voting procedures for Shareholders of record or CDI holders. You will receive a voting instruction form to use for directing your applicable broker, bank, trust or other nominee how to vote your Shares or CDIs.

What are the important rules and deadlines that I need to comply with?

Proxy Cards

Computershare must receive valid and completed Proxy Cards no later than 9.00am on Thursday, 26 May 2016, Australian Eastern Standard Time, (Wednesday, May 25 2016 at 7.00pm U.S. Eastern Standard Time).

CDI Voting Instruction Forms

Computershare must receive Completed CDI Voting Instruction Forms no later than 9.00am on Tuesday, 24 May 2016, Australian Eastern Standard Time (Monday, May 23 2016 at 7.00pm U.S. Eastern Standard Time), in accordance with the instructions on that form. The CDI voting deadline is two business days prior to the date that Proxy Cards are due so that CDN may vote the Shares underlying the applicable CDIs.

To vote via the Internet at www.investorvote.com.au, CDI holders must use a control number that is provided in the materials sent to Shareholders and follow the additional steps when prompted. The steps have been designed to authenticate your identity, allow you to give voting instructions, and confirm that those instructions have been recorded properly. Votes must be cast by 9.00am on Tuesday, 24 May 2016, Australian Eastern Standard Time (Monday, May 23 2016 at 7.00pm U.S. Eastern Standard Time).

Voting in person

Please arrive at Level 14, 385 Bourke Street Melbourne, Victoria, Australia on Friday, 27 May 2016 no later than 9.00am Australian Eastern Standard Time (Thursday, May 26 2016 at 7.00pm US Eastern Standard Time) in order to vote in person. All Shareholders as of the Record Date are invited to attend the Annual Meeting. You may be asked to present valid photo identification, such as a driver's license or passport, before being admitted to the meeting. If you hold your Shares in Street Name or you are a CDI holder, you may also be asked to present proof of ownership to be admitted to the meeting. A brokerage or holding statement or letter from your broker, bank, trust or other nominee are examples of proof of ownership.

What is the voting requirement to approve each of the items set forth in the Notice of Meeting?

Section 2.07 of the Company's Bylaws provide that when a quorum is present at any meeting of the Shareholders, the vote of the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy shall decide any question brought before such meeting, unless applicable laws or rules require another threshold.

Subject to applicable voting exclusions for each item, the vote required to approve each item is set forth below. Information on voting exclusions are set forth in the additional information provided for each item.

Item 1 —Election of Antony Catalano as Director

This resolution must be passed by the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy.

You may vote "FOR", "AGAINST" or "ABSTAIN" on the election of the Director.

Abstentions are considered Shares present and entitled to vote for purposes of determining quorum, and will be treated as an "AGAINST" vote.

Item 2 — Approval of Grant of Options to Mr. Antony Catalano, a Director of the Company

This resolution must be passed by the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy.

You may vote "FOR", "AGAINST" or "ABSTAIN" on the proposal to approve the grant of 100,000 Shares of stock options to Mr. Antony Catalano, a Director of the Company.

Abstentions are considered shares present and entitled to vote and thus will have the effect of a vote "AGAINST" this proposal.

Item 3 — Approval of 10% Placement Facility

Pursuant to Listing Rule 7.1A, the proposal to approve the placement facility requires the affirmative vote of the holders of 75% of votes cast on this proposal by Shareholders entitled to vote on the resolution.

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

Abstentions will have no impact on the outcome of this proposal.

Please Note: *If you are not entitled to vote in person at the meeting and you do not submit your applicable proxy or voting instruction, a “non-vote” occurs and your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of any of the three items.*

How do I change my vote or revoke my proxy?

If you are a Shareholder of record, you may change your vote or revoke your proxy by:

- filing a written statement to that effect with our Company Secretary at or before the taking of the vote at the Annual Meeting;
- voting again via the Internet option at a later time before the closing of voting;
- submitting a properly signed Proxy Card with a later date that is received prior to the close of voting; or
- attending the Annual Meeting, revoking your proxy, and voting in person.

The written statement to the Company Secretary should be delivered to Updater Inc. Ground Floor, 10 Outram Street, West Perth, Western Australia, 6060, Australia Attention: Company Secretary, or hand delivered to the Company Secretary, before the taking of the vote at the Annual Meeting.

If you are a beneficial owner and hold shares through a broker, bank, or other nominee, you may submit new voting instructions by contacting your broker, bank, or other nominee. You may also change your vote or revoke your voting instructions in person at the Annual Meeting if you obtain a signed proxy from the record holder (broker, bank, or other nominee) giving you the right to vote the shares.

If you are a holder of CDIs and you direct CDN to vote by completing the CDI Voting Instruction Form, you may revoke those directions by delivering to Computershare, no later than 25 May 2016, a written notice of revocation bearing a later date than the CDI Voting Instruction Form previously sent.

Who pays for the cost of proxy preparation and solicitation?

The Company pays for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks, trusts or other nominees for forwarding proxy materials to Street Name holders and CDI holders. The Company is soliciting proxies by mail. In addition, the Directors, officers and regular employees of the Company may solicit proxies personally, telephonically, electronically or by other means of communication. The Company's Directors, officers and regular employees will receive no additional compensation for their services other than their regular compensation.

Items of Business at the Annual Meeting

ITEM 1 –ELECTION OF DIRECTOR

Pursuant to Section 3.02 of the Company's Bylaws, Directors are required to be elected at an annual meeting of Shareholders. If elected, the Director will serve until his or her successor has been elected and qualified or, if earlier, his or her death, resignation, retirement, disqualification or removal.

Listing Rule 14.4 provides that a Director of the Company must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. However, a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company.

Election of Mr. Antony Catalano to the Board

The Board of Directors appointed Mr. Catalano as a Director of the Company on 16 December 2015 as an addition to the Board. In accordance with Listing Rule 14.4, Mr. Catalano will retire at the Annual Meeting and submit himself for election by shareholders of the Company.

Mr. Catalano is an existing Updater Shareholder and brings a wealth of experience in real estate media services and technology to the Updater Board.

Mr. Catalano has been the CEO of Domain since November 2013. The value of Domain, Fairfax Media's (ASX: FXJ) most significant asset, has grown well over one billion dollars under Mr. Catalano's leadership. Mr. Catalano established Metro Media Publishing (MMP) in 2009, Victoria's fastest-growing media business, which publishes a suite of glossy magazines that reach more than one million homes throughout Melbourne. Mr. Catalano also pioneered the highly-effective agent equity model, which underpinned MMP's extraordinary success in digital and print publishing, and this model has been rolled out nationally by Domain Group.

The Board of Directors has conducted appropriate background checks on Mr. Catalano and believes that he is qualified to serve on the Board. The Board of Directors believes Mr. Antony Catalano qualifies as an Independent Non-Executive Director of the Company.

Real Estate Investar Group Limited is the only other listed company on which Mr. Catalano serves on the board of directors. Mr. Catalano has not served on the board of any other listed company in the past three years.

Board Recommendation and Chairman's voting intention for Item 1:

The Board (other than Mr. Catalano) recommends that Shareholders vote in favour of this item of business. The Chairman intends to vote undirected proxies in favour of this resolution.

ITEM 2 – GRANT OF STOCK OPTIONS TO MR ANTONY CATALANO, DIRECTOR OF THE COMPANY

Background and Shareholder approval

In December 2015, the Board of Directors (excluding Mr. Catalano) agreed, subject to Shareholder approval, to grant to Mr. Catalano, a Director of the Company, options to purchase 100,000 Shares (equivalent to 2,500,000 CDIs) at an exercise price of US\$3.675 per Share ("Options").

ASX Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme without the prior approval of shareholders. Accordingly, Shareholder approval is now being sought for purposes of ASX Listing Rule 10.14 and for all other purposes for the grant of the options to Mr. Catalano as described below. Subject to Shareholder approval, the options will be granted to Mr. Catalano within 3 months from the date of the Annual Meeting.

The options will be granted pursuant to the Company's 2010 Stock Incentive Plan (the "Plan"). All other Directors are also eligible to participate in the Plan. The Plan provides for the issuance of incentive and non-qualified stock options to employees, consultants and Directors, for the purpose of encouraging key officers, Directors, employees, and consultants of the Company to remain with the Company and devote their best efforts to the business of the Company.

The options have exercise and vesting terms established by the Nomination and Remuneration Committee of the Company's Board of Directors.

Key terms of stock options

Grant price: There is no cash consideration payable for the grant of the Options.

Exercise price: US\$3.675 per Share. Pursuant to the Plan, the exercise price was determined by the Board of Directors as the fair market value, in US Dollars, of the common stock on the date that the Board approved the options.

Transfer: The Options are non-transferable; they cannot be hedged, sold, transferred, mortgaged, charged or otherwise disposed of or dealt with.

Exercise period: Once vested, the Options are exercisable until the date ten years after the date of grant.

Vesting: The Options are subject to time-based vesting, 25% vest and are exercisable at the date of grant, and the remaining 75% shall vest monthly over the following 36 months.

Lapsing: The Options will lapse 90 days after the date that Mr. Catalano ceases to be a Director with the Company.

Other terms: Prior to vesting and exercising of the options to purchase Shares, Mr. Catalano will not be entitled to dividends or any voting or other entitlements or rights in relation to unvested and unexercised options.

In the event of a bonus issuance of any Company securities to employees or any rights issuance of securities to Shareholders, no adjustment will be made to the applicable vesting or amount of common stock underlying Mr. Catalano's options granted pursuant to Item 2.

In the event of a reorganisation of the capital structure of the Company, the options will be treated in the manner required by the applicable rules in Chapter 7 of the ASX Listing Rules, as in force at the date of the reorganisation and as appropriate to the type of reorganisation being undertaken.

As required by ASX Listing Rule 10.15, the following information is provided for Item 2:

1. The maximum aggregate number of options that may be granted is options to purchase 100,000 Shares of common stock.
2. No previous approvals have been sought under Listing Rule 10.14.
3. No loans have been or will be made by the Company to any non-executive director in connection with the acquisition or exercise of options or the underlying shares of common stock.
4. Each of the Directors of the Company being David Greenberg, Ryan Hubbard, Grant Schaffer and Antony Catalano are entitled to participate in the Plan.

Voting Exclusion Statement

The Company will disregard any votes cast on Item 2 by the Directors of the Company or any associate of the Directors of the Company. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Card or CDI Voting Instruction Form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Card or CDI Voting Instruction Form to vote as the proxy decides.

Board Recommendation and Chairman's voting intention for Item 2:

The Board (other than Mr. Catalano) recommends that Shareholders vote in favour of this item of business. The Chairman intends to vote undirected proxies in favour of this resolution.

ITEM 3 APPROVAL OF 10% PLACEMENT FACILITY

Background

ASX Listing Rule 7.1A enables eligible entities to issue equity securities up to 10% of issued share capital through placements over a 12-month period after the annual general meeting ("10% Placement Facility") without obtaining Shareholder approval for individual issues, provided that shareholder approval is obtained at the Company's annual meeting of shareholders (and the company is an "eligible entity" at the time of the annual meeting). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of A\$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval for the ability to issue "equity securities" under the 10% Placement Facility. "Equity Securities" includes stock in the Company (any existing class), rights to such stock, options to purchase such stock (whether issued or unissued stock) and convertible security instruments that convert into such stock.

Under ASX Listing Rule 7.1A, the Equity Securities must be in the same class as an existing quoted class of equity securities of the Company. As of the date of this Notice of Annual Meeting, the Company has only one quoted class of equity securities on issue, namely CDIs (and the Shares of common stock underlying those CDIs).

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

The Company proposes to use the funds raised from an issue of Equity Securities under a 10% Placement Facility, if any, for working capital requirements and ongoing business development activities and/or for acquisition of new assets or investments (including expenses associated with such acquisition).

Currently, the Company has no plans to issue any equity securities nor does the Company currently seek to raise more funding as the Company has sufficient capital to achieve its near-term business objectives set forth in the 2015 Annual Report.

Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

(c) Formula for calculating 10% Placement Facility

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

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

A = is the number of shares on issue 12 months before the date of issue or agreement to issue:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 or 7.4. (this does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval);
- (D) less the number of fully paid shares cancelled in the 12 months.

$$D = 10\%$$

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

(d) ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

If passed, Item 3 will allow the Board to issue up to an additional 10% of the Company's issued capital during the 12 month period following the date of the Annual

Meeting without requiring further Shareholder approval. This is in addition to the Company's 15% annual placement capacity provided for in ASX Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (please see above).

As required by ASX Listing Rule 7.3A, the following information is provided in relation to this Item 3.

(e) 10% Placement Period

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

- (A) the date that is 12 months after the date of the Annual Meeting at which the approval is obtained; or
- (B) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by the ASX.

ASX Listing Rule 7.1A

The effect of Item 3 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Item 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by ASX Listing Rule 7.3A

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

- (a) **ASX Listing Rule 7.3A.1** - The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price ("VWAP") as defined under the ASX Listing Rules for the Company's Equity Securities 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 Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

In accordance with ASX Listing Rules, if the Equity Securities are issued for non-cash consideration, the Company will provide a valuation to the market that demonstrates the non-cash consideration issue price of the Equity Securities complies with ASX Listing Rule 7.3A.

- (b) **ASX Listing Rule 7.3A.2** - If Item 3 is approved by Shareholders and the Company issues Equity Securities under ASX Listing Rule 7.1A.2 under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of options, only if the options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.10 50% decrease in Issue Price	\$0.20 Issue Price	\$0.40 100% increase in Issue Price
Current Variable A 427,502,800	10% Voting dilution	42,750,280	42,750,280	42,750,280
	Funds Raised	\$4,275,028	\$8,550,056	\$17,100,112
50% increase in current Variable A 641,254,200	10% Voting dilution	64,125,420	64,125,420	64,125,420
	Funds Raised	\$6,412,542	\$12,825,084	\$25,650,168
100% increase in current Variable A 855,005,600	10% Voting dilution	85,500,560	85,500,560	85,500,560
	Funds Raised	\$8,550,056	\$17,100,112	\$34,200,224

The table also shows:

- (i) two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of CDIs the Company has on issue. The number of CDIs on issue may increase as a result of issues of common stock that do not require Shareholder approval (for example, a pro rata entitlement offer or share purchase plan) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and

- (ii) two examples where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No options are exercised into common stock before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of CDIs.
 - (vii) The issue price is A\$0.20, being the closing price of the CDIs on ASX on 26 April 2016.
 - (viii) Assuming all Shares of common stock are held as CDIs
- (c) **ASX Listing Rule 7.3A.3** - The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Item 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).
- (d) **ASX Listing Rule 7.3A.4** - The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new assets and investments (in such circumstances the Company will provide a

valuation of the non-cash consideration as required by Listing Rule 7.1A.3); or

- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards working capital requirements and ongoing business development activities and/or for acquisition of new assets or investments (including expenses associated with such acquisition).

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.

- (e) **ASX Listing Rule 7.3A.5** - The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing Shareholders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

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

Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (f) **ASX Listing Rule 7.3A.6** -The Company has not obtained Shareholder approval under Listing Rule 7.1A before. The Company has not issued any equity securities since listing on the ASX on 7 December 2015 (other than for the exercising of vested stock options under the Plan).

Board recommendation and Chairman's voting intention for Item 3

The Board unanimously recommends that Shareholders vote in favour of this item of business.

The Chairman of the meeting intends to vote undirected proxies in favour of this resolution.

Voting Exclusion for Item 3

The Company will disregard any votes cast in respect of Item 3 by a person who may participate in the proposed issue of any Equity Securities and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if Item 3 is passed, and any associates of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Card or CDI Voting Instruction Form; or
- it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Card or CDI Voting Instruction Form to vote as the proxy decides.

As at the date of this Notice of Meeting, the Company has no specific plans to issue Equity Securities under ASX Listing Rule 7.1A and therefore it is not known who, if any, may participate in a potential issue of Equity Securities, if any, under ASX Listing Rule 7.1A. Accordingly, as at the date of this Proxy Statement, the Company is not aware of any person who would be excluded from voting on this Item 3.

OTHER BUSINESS

The Company, being a company incorporated in the state of Delaware, United States, is not required to meet the *Corporations Act 2001* (Cth) requirements to lay before the meeting the annual financial report and other related reports. The Board of the Company has, however, decided to lay before the meeting the Company's financial statements and the reports for the year ended 31 December 2015.

The Corporations Act does not require a vote of Shareholders on the reports or statements. However, the Shareholders will be given ample opportunity to raise questions or comments in relation to the management of the Company.

Copies of the full financial report for discussion at the meeting can be accessed on the Company's website: www.updater.com

If a Shareholder would like to receive a hard copy, please contact the Company's share registry.



UPDATER INC. ARBN 609 188 329

UPD

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

CDI Voting Instruction Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 9.00am (AEST) Tuesday, 24 May 2016**

How to Vote on Items of Business

Twenty five (25) CHESS Depositary Interest (CDIs) is equivalent to one (1) share of Company Common Stock, so that every 25 (twenty five) CDIs that you own at 5 May 2016 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depositary Nominees Pty Ltd enough time to tabulate all CHESS Depositary Interest votes and to vote on the underlying shares.

Signing Instructions


Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE 
or turn over to complete the form

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

CDI Voting Instruction Form

Please mark ☒ to indicate your directions

STEP 1 CHESSE Depositary Nominees will vote as directed

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Voting Instructions to CHESSE Depositary Nominees Pty Ltd

Please mark box A OR B

I/We being a holder of CHESSE Depositary Interests of Updater Inc., hereby direct CHESSE Depositary Nominees Pty Ltd (CDN) to:

A ☐ vote on my/our behalf with respect to the Items of Business below in the manner instructed in Step 2 below.

OR

B ☐ appoint the Chairman of the Meeting

OR

to attend, speak and vote the shares underlying my/our holding at the Annual Meeting of Updater Inc. ("the Company") to be held at Level 14, 385 Bourke Street, Melbourne, Victoria on Friday, 27 May 2016 at 9.00am (AEST)/(Thursday, 26 May 2016 at 7.00pm US EST) and at any adjournment of that meeting in accordance with the directions in Step 2 below. Where no direction is given, the proxy may vote as they see fit.

STEP 2 Items of Business

		For	Against	Abstain
Item 1	Election of Antony Catalano as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Grant of Stock Options to Mr. Antony Catalano, a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

UPD

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Computershare +