

DATADOT TECHNOLOGY LIMITED
ACN 091 908 726

NOTICE OF ANNUAL GENERAL MEETING

The 2019 Annual General Meeting of members of DataDot Technology Limited is to be held at the date and time, and to conduct the business, itemised below.

Venue: Offices of Boardroom Group
Level 12, Grosvenor Place
225 George Street
Sydney, NSW, 2000

Date: Thursday, 21 November 2019

Time: 11.00 a.m. (Sydney time)

BUSINESS OF THE MEETING

Financial Statements and Reports

To receive and consider the Financial Statements and Reports of the Directors and Auditor for the financial year ended 30 June 2019.

Resolution 1: Remuneration Report

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

"In accordance with Section 250R of the Corporations Act, the Company adopts the Remuneration Report as set out in the Directors' Report."

Voting Exclusion Statement

The Company will disregard any votes on Resolution 1 by or on behalf of a member of the Key Management Personnel of the Company (including Directors) ("**KMP**"), or their closely related parties. However, the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2: Election of Director – Mr Raymond Carroll

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

"That Mr Raymond Carroll, having been appointed a Director since the last general meeting and, being eligible, offers himself for re-election, be re-elected as a Director of the Company in accordance with the Company's constitution."

Resolution 3: Election of Director – Mr David Lloyd

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

"That Mr David Lloyd, having been appointed a Director since the last general meeting and, being eligible, offers himself for re-election, be re-elected as a Director of the Company in accordance with the Company's constitution."

Resolution 4: Cancellation of Employee Loan Scheme Shares – Temogen Hield

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

"That 16,126,414 shares in the Company issued to Mr Temogen Hield pursuant to the Employee Share and Loan Scheme be cancelled and the capital of the company be reduced accordingly."

Resolution 5: Appointment of Auditor

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

"That Mr Andrew Hunt (Auditor number 413043) of Audit Only be appointed as auditor of the company."

Resolution 6: Issue shares to Convertible Note holders – third parties

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

"That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, shareholders hereby approve and authorise the Company to issue 66,666,667 fully paid ordinary shares in the Company at an issue price of \$0.012 per share to holders of the Company convertible notes or their nominees on the terms and conditions set out in the Explanatory Memorandum."

Resolution 7: Issue shares to Convertible Note holders - related parties

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

"That, in accordance with ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, shareholders hereby approve and authorise the Company to issue 29,166,667 fully paid ordinary shares in the Company at an issue price of \$0.012 per share to Mr Bradley Kellas and Mr David Lloyd or their nominees on the terms and conditions set out in the Explanatory Memorandum."

Resolution 8: Ratification of share issue – D. Williams

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

"That, for the purpose of ASX Listing Rule 7.4, the issue of 5,265,275 fully paid ordinary shares in the Company at \$0.007 per share issued on 31 August 2019 to the outgoing CFO, Mr David Williams, is hereby ratified."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolutions 6, 7 and 8 by a person who participated in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons, other than votes cast:

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

Other Information

The Explanatory Memorandum accompanies and forms part of this Notice.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Voting by Proxy

Any Shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a shareholder of the Company. A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. Proxies must be:

- (a) lodged at the Company's share registry, Boardroom Pty Limited; or
- (b) faxed at the fax number specified below,

not later than 10.00 a.m. (Sydney time) on Tuesday 19 November 2019.

Boardroom Pty Limited (hand deliveries)

Boardroom Pty Limited
Level 12
225 George St
Sydney NSW 2000

Boardroom Pty Limited (postal deliveries)

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Fax number for lodgment

02 9290 9655

Online

www.votingonline.com.au/DDTagm2019

A form of proxy is provided with this notice.

Entitlement to Vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the Meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 p.m. (Sydney time) on Tuesday 19 November 2019. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By Order of the Board

DataDot Technology Limited



Patrick Raper
Company Secretary
20 October 2019

DATADOT TECHNOLOGY LIMITED
ACN 091 908 726

EXPLANATORY MEMORANDUM

This Explanatory Memorandum relates to the 2019 Annual General Meeting of the Company to be held at the offices of Boardroom Group, at Level 12, Grosvenor Place, 225 George Street, New South Wales 2000 at 11:00am on Thursday, 21 November 2019.

Financial Report and Reports of the Directors and Auditor

This item allows Shareholders the opportunity to consider the Financial Report, Directors' Report and Auditor's Report of the Company. Under Section 317 of the Corporations Act the Company is required to lay these three reports, together comprising the Company's Annual Report, before its Shareholders at the Meeting.

Resolution 1: Remuneration Report

Resolution 1 provides Shareholders the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to a vote at the annual general meeting. The Remuneration Report is contained in the Directors' Report.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company, and a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any arrangements in the Remuneration Report.

The Chairman will allow reasonable opportunity for Shareholders to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

The Board recommends that Shareholders vote for this resolution.

Resolutions 2 and 3

Under Listing Rule 14.4 a Director, other than the Managing 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.

Under Rule 6.2(c) of the Company's Constitution any Director appointed by the other Directors must offer himself or herself for re-election at the next annual general meeting.

Resolution 2: Election of Director – Mr Raymond Carroll

Resolution 2 provides for the election of Raymond Carroll as Director of the Company in accordance with Listing Rule 14.4 and Rule 6.2(c) of the Company's Constitution.

Mr Carroll joined the Board as a non-executive Director on 13 May 2019.

Mr Carroll was the driving force behind the establishment and success of Australia's National Motor Vehicle Theft Reduction Council (NMVTRC) and served as its Executive Director for over 19 years. He is an internationally recognised authority on developing and implementing strategic solutions to crime issues and holds a Bachelor Degree in Criminal Justice Administration.

In his former role, Mr Carroll devised the world's first comprehensive criteria and performance specification for whole of vehicle marking. His endorsement and advocacy for DataDot's micro-dot identification system nationally and internationally was the catalyst for the acceptance and growth of micro-dot identification in multiple markets across the world.

Mr Carroll's appointment brings to the Company an unsurpassed level of experience in fostering collaboration across multiple industry sectors, government agencies and the community sector to achieve desired outcomes. He secured and managed over \$40 million dollars in direct funding to the NMVTRC and generated over \$600 million expenditure by government agencies and motor related industries to implement NMVTRC facilitated reforms. During his tenure, vehicle crime in Australia reduced by over 70% delivering on-going insurance and community savings of more than \$400 million per year in vehicle crime related costs.

The Board recommends that Shareholders vote for this resolution.

Resolution 3: Election of Director – Mr David Lloyd

Resolution 3 provides for the re-election of David Lloyd as Director of the Company in accordance with Listing Rule 14.4 and Rule 6.2(c) of the Company's Constitution.

Mr Lloyd joined the Board as a non-executive Director on the 13 May 2019.

Mr Lloyd is an experienced senior executive specialising in strategy, new technologies, business development, ventures and partnerships, whose skills will be essential for successfully turning around the DataDot business by leveraging an alliance with PropertyVAULT.

As a senior executive at Qantas and previously Virgin Blue and Virgin Australia, David has been the architect of several high-profile alliances with other airlines as well as a joint venture with the Government of Samoa, demonstrating his ability to build valuable commercial relationships. While at Virgin Blue he also designed the Velocity Frequent Flyer program, valued at approximately \$1 billion in its partial sale to a private equity partner and which continues to be the most profitable unit of Virgin Australia. Subsequently at Virgin he developed the business cases for fleet orders worth over USD2 billion and the establishment of a new international business.

More recently while at Qantas, Mr Lloyd has mentored businesses in their technology accelerator programs, overseen commercial relationships with start-up and scale-up businesses including those in which Qantas has taken equity stakes and warrants, and is currently working on externally commercialising the company's own innovations.

Previously Mr Lloyd has worked internationally as a consultant with the Boston Consulting Group and Arthur Andersen Business Consulting, and was a project manager for the Sydney Organising Committee for the Olympic Games. He is an internationally-competitive cyclist and member of numerous cycling organisations, bringing a customer viewpoint to the value of both DataDot and PropertyVAULT. Mr Lloyd is Chair of the Audit and Risk Management Committee.

The Board recommends that Shareholders vote for this resolution.

Resolutions 4: Cancellation of Employee Loan Scheme Shares – Temogen Hield

In FY 2018 the Company introduced an Employee Share Loan Scheme ("Scheme"). Under the Scheme:-

- (a) Temogen Hield the then CEO of the Company was issued 16,126,414 Shares at an issue price of \$0.027; and
- (b) the Company granted Temogen Hield a loan for the whole consideration of \$435,413 for the Shares which was repayable by 30 June 2020.

Following the appointment of a new Board of Directors after the EGM of the Company held on 13 May 2019, the Board determined that the Scheme would cease to apply other than for the 3 senior employees who were participating in the Scheme at that time.

Mr Hield ceased to be employed by the Company on 12 June 2019.

At the conclusion of his employment with the Company by Deed of Release Mr Hield relinquished all rights to the ownership of the 16,126,414 Shares issued under the Scheme on the basis that upon cancellation of those shares the loan of \$435,413 will be extinguished.

Pursuant to s.256C(2)(a) of the Corporations Act the cancellation of the Shares requires a special resolution passed at a general meeting of the Company as the cancellation is a selective reduction of capital of the Company.

The Company therefore now seeks Shareholder approval to cancel the 16,126,414 Shares issued to Mr Hield pursuant to the Scheme.

The Board recommends that Shareholders vote for this resolution.

Resolution 5: Appointment of Auditor

Following the appointment of a new Board of Directors after the EGM of the company held on 13 May 2019, the new directors initiated a line by line review of all the expenses of the Group.

The review included the expense related to the annual review and audit of the Group's global financial statements including wholly owned subsidiaries in USA and UK and Australia.

The Company has undertaken a tender process in relation to its audit services. The Company's auditor, BDO East Coast Partnership has been unsuccessful in the tender and has offered to resign as auditor at the Annual General Meeting scheduled for 21 November 2019 (subject to receiving ASIC consent) to facilitate a smooth transition to the successful tenderer.

The directors have asked Mr Andrew Hunt (Auditor number 413043) to consent to be appointed as auditor, subject to the consent of ASIC to the resignation of BDO East Coast Partnership and the approval of members at the Annual General Meeting.

The directors, having received the consent to act as auditor from Mr Andrew Hunt, have resolved to put a motion to the Annual General Meeting of the Company, subject to receiving the resignation of BDO East Coast Partnership as auditor once they have obtained consent from ASIC to do so.

The Board recommends that Shareholders vote for this resolution.

Resolution 6 and 7: Issue of shares to Convertible Note holders

On 28 June 2019, the Company announced that the Board had implemented a convertible note issue whereby commitments were being sought from a number of sophisticated and professional investors for an aggregate of \$1,150,000 in financing by way of a redeemable convertible note facility (**Facility**).

The purpose of the Facility was to raise funds to be used as working capital to allow the Company to continue to implement the recovery plan implemented by the new Board of Directors elected at the EGM on 13 May 2019.

The redeemable convertible notes issued pursuant to the Facility are convertible to ordinary Shares on or before the maturity date which is two years after issue, at a conversion price of \$0.012. The Facility Terms provide that a note holder can elect to convert the notes to Shares at any time up to the date of maturity.

The notes were issued between 21 June 2019 and 5 July 2019 and therefore the maturity dates are between 21 June 2021 and 5 July 2021.

The interest rate on the notes is 8% per annum.

Resolution 6: Issue Shares to Convertible Note holders – third parties

Under ASX Listing Rule 7.1 a company must not, without the approval of its ordinary Shareholders, issue more than 15% of its equity securities in any 12 month period, unless an exception applies in Listing Rule 7.2.

Of the total amount of \$1,150,000 of notes issued in June and July 2019, \$800,000 in notes were issued to third parties.

This resolution seeks Shareholder approval for the purposes on ASX Listing Rule 7.1 for the issue of 66,666,667 Shares at a conversion price of \$0.012 to holders of the convertible notes who are third parties.

The Board recommends that Shareholders vote for this resolution.

Resolution 7: Issue Shares to Convertible Note holders - related parties

Of the total amount of \$1,150,000 of notes issued, \$350,000 in notes were issued to Directors or associates of Directors being \$250,000 issued to Director Brad Kellas and \$100,000 issued to Director David Lloyd.

Conversion is subject to Shareholder approval where the note is issued to a Director or an associate of the Director.

Reasons for Shareholder Approval

ASX Listing Rule 10.11 states that, unless an exception applies, a company must not issue, or agree to issue, equity securities to a related party of the Company without the approval of ordinary shareholders under that Rule. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

In accordance with Listing Rule 7.2 (exception 14), as approval is being sought under Listing Rule 10.11, approval is not required to be obtained under Listing Rule 7.1.

Further, Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit (which includes the grant of shares) to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Under s.210 of the Corporations Act member approval is not required to give a financial benefit on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arm's length; Although the issue of Shares to Mr Kellas and Mr Lloyd might fall within exception under s.210 of the Corporations Act for Shareholder approval your Directors consider it prudent to seek Shareholder approval nonetheless under the Corporations Act (as well as Listing Rule 10.11).

Relevant Disclosures

The following additional information in relation to the Shares to be issued is provided to Shareholders to satisfy the requirements of Listing Rule 10.13 and Chapter 2E of the Corporations Act:

- (a) the related parties proposing to participate in the placement of Shares to be issued are Mr Brad Kellas (or his nominee) and Mr David Lloyd (or his nominee) who are related parties by virtue of them being Directors;
- (b) the number of Shares to be issued to Mr Brad Kellas is 20,833,333. The number of Shares to be issued to Mr David Lloyd is 8,333,333;
- (c) the Shares are intended to be issued on maturity of the convertible notes or at any time in advance of maturity as provided in the Redeemable Convertible Note Terms
- (d) the issue price for the Shares will be \$0.012 per Share and the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares;

- (e) Use of proceeds;

Proceeds from the convertible note issue have been used to provide additional working capital for the Company to allow the Company to continue to implement the recovery plan implemented by the Board.

- (f) Valuation

Shares in the same class as those Shares proposed to be issued are currently traded on the ASX and as such will have a tradeable market value. The closing Share price of the Company on 27 September 2019 was \$0.006.

Based solely on the closing Share price on 27 September 2019 being multiplied by the number of Shares to be issued, the total indicative market value of the Shares is \$157,000.

Under the terms of the proposed issue, the Directors will subscribe for the Shares at an issue price of \$0.012 per Share. Compared to the closing price on 27 September 2019 (being \$0.006 per Share) the issue price represents a premium of 122%.

The Shares are to be issued at the same price as those issued to all other convertible note holders.

- (g) Current interests

The Shares currently held directly and indirectly by Mr Kellas and Mr Lloyd both as at the date of the Notice of Meeting, and assuming that the Shares are approved and issued are set out below:

Director	Shares currently held (directly and indirectly)	% of total share capital currently	Proposed Shares to be Issued	Shareholding upon issue of Shares	% of issued capital after the Shares are issued
Mr Brad Kellas	85,635,066	10.496%	20,833,333	106,468,399	12.599%
Mr David Lloyd	0	0	8,333,333	8,333,333	0.986%

- (h) Any other information that is reasonably required by Shareholders to make a decision and that is known to the Company or any of its Directors

- a. At the time the Shares are issued, the ordinary Shares in the Company may be trading at a price higher than the issue price of the Shares. The effect of movements in the market price of the Shares is set out below:

Market Price	Valuation of 29,166,167 Shares
\$0.012	350,000
\$0.013	379,167
\$0.014	408,333
\$0.015	437,500
\$0.016	466,667
\$0.017	495,833

- b. Prior to the date of the Notice of Meeting, the highest price of fully paid ordinary Shares in the Company trading on ASX during the last 12 months was \$0.012 which most recently occurred on 9 May 2019 and the lowest price of Shares in the Company trading on the ASX during the past 12 months was \$0.002 on 2 January 2019. The most recent closing price of Shares in the Company trading on the ASX prior to the date of the Notice of Meeting was \$0.006 which occurred on 10 October 2019.
- c. It is not considered from an economic and commercial point of view that there are any costs or detriments, including opportunity costs or taxation consequences, for the Company or benefits forgone by the Company that will result from the issue of Shares pursuant to Resolution 7.

The Board recommends that Shareholders vote for this resolution.

Resolution 8: Ratification of Share Issue

Under ASX Listing Rule 7.1 a company must not, without the approval of its ordinary shareholders, issue more than 15% of its equity securities in any 12 month period, unless an exception applies in Listing Rule 7.2.

Listing Rule 7.4 allows a company which makes an issue that complies with Listing Rule 7.1 to obtain subsequent shareholder approval for the issue and so reinstate the company's ability to issue up to 15% of its capital under Listing Rule 7.1. Resolution 8 complies with Listing Rule 7.4 and, if passed, will reinstate the Company's ability to issue up to 15% capital within a 12 month period.

At the conclusion of the 2017 Financial Year, the then CFO Mr Williams was granted a \$60,000 bonus by the company. Payment of that bonus by the company was deferred and at the discretion of the Directors was payable in cash or in Shares.

In the 2018 Financial Year Mr Williams was paid 50% of the outstanding \$60,000 in cash and payment of the balance was further deferred. The company agreed to pay a deferment amount.

Upon termination of his employment, Mr Williams was paid all amounts owing to him arising from his employment with the company including the unpaid \$30,000 bonus plus agreed deferment amount. The company elected to pay Mr Williams in Shares.

On 31 August 2019, the company issued 5,265,275 fully paid ordinary Shares in the company at an issue price of \$0.007 in full satisfaction of the unpaid 2017 bonus amount including deferment fee. 5,265,275 ordinary Shares represent 0.65% of the number of ordinary Shares that may be issued under Listing Rule 7.1, taking into account the exceptions allowed in Listing Rule 7.2. The Shares issued ranked equally with existing ordinary Shares then on issue.

Voting Exclusion Statement Resolutions 6 - 8

The Company will disregard any votes cast on Resolutions 6, 7 and 8 by a person who participated in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons, other than votes cast:

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

The Board recommends that Shareholders vote for this resolution.

Glossary

In this Notice and Explanatory Memorandum:

Auditor's Report means the auditor's report in the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting convened by this Notice.

Company means DataDot Technology Limited (ACN 091 908 726).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Group means DataDot Technology Limited and its subsidiary companies.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Meeting means the annual general meeting to which this Notice relates.

Notice means this notice of meeting.

Proxy Form means the proxy form attached to the Notice.

Share means an ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.