

# CONQUEST AGRI LIMITED

ACN 091 320 464

## Notice of General Meeting, Explanatory Notes and Independent Expert's Report

**Date:** 16 December 2015

**Time:** 10.00am (Sydney time)

**Place:** Level 25, 1 O'Connell Street, Sydney, New South Wales

**Your Directors recommend that you vote in favour of the Proposed Transaction and the proposed offer and issue of Consideration Shares and the Earn Out Shares to the Property Connect Shareholders.**

This Notice of Meeting is dated 13 November 2015.

**This document is important and requires your immediate attention. Carefully read this document in its entirety and consult your stockbroker, solicitor, accountant, licensed financial adviser or other professional adviser if you are in any doubt as to what to do.**

**An independent expert report is attached to this Notice at Annexure A as required for the purposes of the shareholder approval required under Section 611 (item 7) of the Corporations Act. The report concludes that the Proposed Transaction and the issue of shares the subject of Resolution 6 is fair and reasonable to the Company's non-associated Shareholders, for the reasons set out in the report.**

## Table of Contents

**NOTE:** Capitalised terms used in this document are defined in the Glossary (Section 13).

## Key Dates (Sydney time)

Due date for lodgement of proxy forms	10.00am 14 December 2015
Record Date	7.00pm 14 December 2015
General Meeting	10.00am 16 December 2015

**NOTE:** The above timetable is indicative only. The Company reserves the right to vary any of the above dates without notice, subject to the Corporations Act, the ASX Listing Rules and any other applicable laws.

## Corporate Directory

### Current Directors

Peter Papas (Chairman)  
Rodd Boland (Director)  
Steven Cole (Director)

### Current Company Secretary

Steven Cole

### Registered Office

Level 18, 50 Cavill Avenue  
SURFERS PARADISE QLD 4217  
Tel: +61 7 5538 2558  
Fax: +61 7 5526 8922

### Share Registry

Computershare Investor Services Pty Limited  
Level 3, 60 Carrington Street  
SYDNEY NSW 2000  
(02) 8234 5000

### Auditors

Pitcher Partners  
Level 22 MLC Centre, 19 Martin Place  
SYDNEY NSW 2000  
Tel: +61 2 9221 2099

### Australian Legal Advisors

Thomson Geer  
Level 25, 1 O'Connell Street  
SYDNEY NSW 2000

## Chairman's Letter to Shareholders

13 November 2015

Dear CQA Shareholder,

I am pleased to be able to present an exciting opportunity to re-establish Conquest Agri Limited (**CQA or Company**) into the holding Company of Property Connect, Inc. (a Delaware Corporation) (**Property Connect**).

On 9 October 2015, the Company announced that it had entered into a stock purchase agreement (**Acquisition Agreement**) to acquire 100% of the issued capital of Property Connect in consideration for the issue of Shares (the **Property Connect Acquisition**).

Property Connect is a private company incorporated in the State of Delaware, United States of America and based in San Francisco, California. It is a software development company operating in the online rental property space, its first development product introduced to market being a real-time online application system, LiveOffer™ (**LiveOffer Platform**), which allows people seeking a rental property to make an application for a rental property and view the status of the application against other applicants in real-time.

Shareholders are now presented with the opportunity to approve the Property Connect Acquisition. Shares in the Company are presently suspended from trading as the Company does not have a level of operations suitable for a listed company. The path to re-quotations of your Shares requires the acquisition or establishment of business operations acceptable to ASX, receipt of Shareholder approval and the issue of a prospectus to raise capital for the Company.

The Property Connect Acquisition, if approved, will result in a significant change in the nature and scale of the Company's activities. On and from Completion, the main business activity of the Company will involve the development and roll-out of the LiveOffer Platform. Accordingly, the Company is required to obtain Shareholder approval under ASX Listing Rules 11.1.2 and 11.1.3 to undertake the Property Connect Acquisition and it must re-comply with Chapters 1 and 2 of the ASX Listing Rules.

This Notice of Meeting is directed at securing approval from Shareholders to acquire Property Connect and the issue of Shares under the Prospectus. In this regard the Company proposes to:

- 1 consolidate the issued share capital of the Company on a 18.5111 for 1 basis before the Property Connect Acquisition is completed (**CQA Share Consolidation**);
- 2 complete the Property Connect Acquisition by acquiring all of the issued capital of Property Connect and, as consideration, issue Shares to shareholders of Property Connect (**Property Connect Shareholders**);
- 3 issue Shares to Property Connect Noteholders in satisfaction of the conversion of convertible notes issued by Property Connect;
- 4 appoint each of Tim Manson, Peter Friend and Samuel Lee as Directors of the Company effective upon completion of the Property Connect Acquisition;
- 5 issue a prospectus to raise up to \$2,500,000 under a public offer (**Public Offer**) to fund the:
  - (a) marketing and branding of Property Connect and its LiveOffer Platform;
  - (b) hiring of key staff;
  - (c) development of the Company's technology (including research and development and system development);
  - (d) repayment of debt;
  - (e) costs of the Public Offer and the Proposed Transaction;
  - (f) Company's rental payments going forward; and

- (g) working capital of the Property Connect business going forward;
- 6 implement an employee share and option plan;
- 7 change the name of the Company to Property Connect Holdings Limited and the ASX code to 'PCH'.

Full details of the approvals being sought from Shareholders are contained in the Explanatory Notes.

The Completion of the Property Connect Acquisition is subject to various conditions precedent, including the Public Offer. These are set out in detail in section 2.6.

If the Property Connect Acquisition is successfully completed:

- the Company will acquire 100% of the shares in the capital of Property Connect;
- Rodd Boland and Steven Cole will resign as Directors of the Company;
- the name of the Company will change from Conquest Agri Limited to Property Connect Holdings Limited (there will also be a corresponding change to the Company's ASX code to "PCH"); and
- the proceeds from the Public Offer will be used to fund the activities set out in point 5 above which will ultimately allow the Company to expand its presence in the United States and facilitate refinements to its core technology platform.

Upon Completion of the Property Connect Acquisition it is intended that the Company's Shares will be requoted on the ASX. If Completion does not occur, there is a real risk that the Company will be automatically removed from the Official List of the ASX. The ASX introduced a policy effective from 1 January 2014, whereby entities whose securities have been suspended from trading for a continuous period of 3 years would be automatically removed from the Official List of the ASX. The Company's securities have been continuously suspended from trading since 3 October 2012. Although the Company must have its securities re-instated to trading prior to 1 January 2016 to avoid being automatically removed from the Official List of the ASX, the Company intends to seek confirmation from the ASX that in the event that it:

- has held the General Meeting to approve the Proposed Transaction; and
- issued the Prospectus prior to 1 January 2016,

it would extend the period by which the Company must have its shares reinstated to a date later than 1 January 2016.

The acquisition of Property Connect is not without risk. By approving the acquisition of Property Connect and the associated transactions, you will become exposed to risks associated with the new operations of the Company. I encourage you to consider the risks identified in Section 8.

The Independent Expert has concluded that resolution 6 is fair and reasonable to the non-associated shareholders. The Directors of the Company recommend that Shareholders approve all of the Resolutions contained in this Notice of Meeting to enable the Property Connect Acquisition by the Company. I encourage you to read the full contents of the accompanying documents carefully, and to participate in the voting process.

If you have any questions about the Property Connect Acquisition or this Notice of Meeting, please contact the Company, or consult your licensed financial adviser, stockbroker or other professional adviser. If you have any questions about your holding of CQA Shares or other Share Registry matters, please contact Computershare Investor Services Pty Limited on 1300 878 272.

Yours sincerely



Peter Papas  
Chairman

## 1 Notice of Meeting

Notice is hereby given that a General Meeting of Conquest Agri Limited (**CQA** or **Company**) will be held at Level 25, 1 O'Connell Street, Sydney, New South Wales on 16 December 2015 at 10.00am (Sydney time).

### 1.1 Agenda:

#### **Resolution 1 – Consolidation of CQA Shares**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of section 254H of the Corporations Act and for all other purposes, approval be given for the consolidation of every 18.5111 Shares on issue by the Company into 1 Share, and that any fractions of a Share be rounded up to the next whole number of ordinary Shares.”*

#### **Resolution 2– Acquisition of Property Connect, Inc.**

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

*“That, subject to the passing of all other Resolutions, for the purposes of ASX Listing Rule 11.1.2, and all other purposes, approval is given for the Company to acquire all of the issued capital of Property Connect, Inc. and for a change in the nature and scale of the Company's activities as set out in the Explanatory Memorandum.”*

**Note: The acquisition of all the issued capital in Property Connect is conditional on ASX confirming that the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules. As ASX requires the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, the acquisition of Property Connect cannot take place until ASX's requirements have been met.**

#### **Resolution 3 – Issue of Conversion Shares to Property Connect Noteholders**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rules 7.1 and all other purposes, Shareholders approve the issue of up to 25,361,096 Shares (on a post consolidation basis) to the Property Connect Noteholders at a deemed issue price of \$0.025 per Share (**Conversion Shares**), in satisfaction of the conversion of the Property Connect Convertible Notes, on the terms and conditions described in the Explanatory Notes.”*

**Note: the issue of Conversion Shares pursuant to Resolution 3 is conditional on ASX confirming that the Company has re-compiled with Chapters 1 and 2 of the ASX Listing Rules. As ASX required the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, issue of Conversion Shares cannot take place until ASX's requirements have been met.**

#### **Resolution 4 – Issue of Consideration Shares to Property Connect Shareholders (other than Manson)**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rules 7.1 and all other purposes, Shareholders approve the issue of up to 56,273,673 Shares (on a post consolidation basis) to the Property Connect Shareholders (other than Manson) at a deemed issue price of \$0.05 per Share (**Consideration Shares**), in partial consideration for the acquisition by the Company of all of the issued capital in the capital of Property Connect, Inc. on the terms and conditions described in the Explanatory Notes.”*

**Note: the issue of Consideration Shares pursuant to Resolution 4 is conditional on ASX confirming that the Company has re-compiled with Chapters 1 and 2 of the**

**ASX Listing Rules. As ASX required the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, issue of Consideration Shares cannot take place until ASX's requirements have been met.**

**Resolution 5 – Issue of Earn Out Shares to Property Connect Shareholders (other than Manson)**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rules 7.1 and all other purposes, Shareholders approve the issue of up to 37,515,782 Shares (on a post consolidation basis) to the Property Connect Shareholders (other than Manson) in proportion to their existing shareholding in Property Connect and on the terms and conditions described in the Explanatory Notes (**Earn Out Shares**), in partial consideration for the acquisition by the Company of all of the issued capital in the capital of Property Connect.”*

**Note: the issue of Earn Out Shares pursuant to Resolution 5 is conditional on ASX confirming that the Company has re-compiled with Chapters 1 and 2 of the ASX Listing Rules. As ASX required the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, issue of Earn Out Shares cannot take place until ASX's requirements have been met.**

**Resolution 6 – Issue of Consideration Shares and Earn Out Shares to Manson and increase in relevant interest**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of section 611 (item 7) of the Corporations Act and all other purposes, shareholders approve the allotment and issue of up to 63,726,327 Consideration Shares at an issue price of \$0.05 per share (on a post consolidation basis) and up to 42,484,218 Earn Out Shares to Timothy Manson (or his nominee) and increase his voting power in the Company in excess of 20% in consideration for the acquisition by the Company of all of the issued capital in the capital of Property Connect that Timothy Manson holds on the terms and conditions described in the Explanatory Notes.”*

**Independent Experts Report:** Shareholders should carefully consider the Independent Expert's Report prepared by the Independent Expert. The Independent Expert's Report comments on the fairness and reasonableness of the Proposed Transaction, including the impact of the issue of the Consideration Shares and the Earn Out Shares to Manson.

The Independent Expert has determined that the Proposed Transaction (including the issue of Consideration Shares and the Earn Out Shares to Manson as set out in this Resolution is fair and reasonable to non-associated Shareholders.

**Note: the issue of Consideration Shares and Earn Out Shares pursuant to Resolution 6 is conditional on ASX confirming that the Company has re-compiled with Chapters 1 and 2 of the ASX Listing Rules. As ASX required the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, issue of Consideration Shares and Earn Out Shares cannot take place until ASX's requirements have been met.**

**Resolution 7 – Issue of Public Offer Shares**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Directors to issue up to 50,000,000 (on a post consolidation basis) at a minimum issue price of \$0.05 to raise up to \$2,500,000 under the Public Offer (**Public Offer Shares**) on the terms and conditions set out in the Explanatory Notes.”*

**Note: the issue of Public Offer Shares pursuant to Resolution 7 is conditional on ASX confirming that the Company has re-compiled with Chapters 1 and 2 of the ASX Listing Rules. As ASX required the Company to re-comply with the admission requirements under ASX Listing Rule 11.1.3, issue of Public Offer Shares cannot take place until ASX's requirements have been met.**

#### **Resolution 8 – Appointment of Tim Manson as a Director**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of the Constitution and for all other purposes, Tim Manson, being eligible to act as a Director, is appointed as a director of the Company with effect from Completion.”*

#### **Resolution 9 – Appointment of Peter Friend as a Director**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of the Constitution and for all other purposes, Peter Friend, being eligible to act as a Director, is appointed as a director of the Company with effect from Completion.”*

#### **Resolution 10 – Appointment of Samuel Lee as a Director**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of the Constitution and for all other purposes, Samuel Lee, being eligible to act as a Director, is appointed as a director of the Company with effect from Completion.”*

#### **Resolution 11 – Approval of issue of Promoter Shares**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be given for the issue of up to 10,000,000 Shares (on a post consolidation basis) (**Promoter Shares**) on the basis described in the Explanatory Notes.”*

#### **Resolution 12 – Change of Name**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of sections 157(1)(a) and 136(2) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Property Connect Holdings Limited, and for all references to the Company's name in the Constitution of the Company to be replaced with Property Connect Holdings Limited.”*

#### **Resolution 13 – Approval of Employee Share and Option Plan**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rule 7.2 (exception 9(b)) and for all other purposes, approval is given for the Company to adopt an Employee Share Option Plan (**ESOP**) and for the issue of securities under the ESOP, on the terms and conditions described in the Explanatory Notes.”*

#### **Resolution 14 – Issue of ESOP Option to Manson under ESOP**

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

*“That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to*

*grant 1 ESOP Option to Timothy Manson (or his nominee) under the ESOP, on the terms and conditions described in the Explanatory Notes."*

**Resolution 15 – Issue of ESOP Option to Samuel Lee under ESOP**

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

*"That, subject to the passing of all other Resolutions and Completion, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant 1 ESOP Option to Samuel Lee (or his nominee) under the ESOP, on the terms and conditions described in the Explanatory Notes."*

Further information specific to Resolutions 1 to 15 (inclusive) is set out in the Explanatory Notes which accompanies and forms part of this Notice of Meeting.

By Order of the Board

Peter Papas

Chairman

Date: 13 November 2015



## 1.2 Voting Exclusions

### (a) Resolution 2

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 2. The Company will also disregard any votes cast in relation to Resolution 2 by:

- (i) the Property Connect Shareholders and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary CQA Shares; and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

### (b) Resolution 3

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 3. The Company will also disregard any votes cast in relation to Resolution 3 by:

- (i) the Property Connect Noteholders and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary CQA Shares; and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

### (c) Resolution 4

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 4. The Company will also disregard any votes cast in relation to Resolution 4 by:

- (i) the Property Connect Shareholders and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary CQA Shares; and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

(d) Resolution 5

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 5. The Company will also disregard any votes cast in relation to Resolution 5 by:

- (i) the Property Connect Shareholders and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary CQA Shares; and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

(e) Resolution 6

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 6. The Company will also disregard any votes cast in relation to Resolution 6 by:

- (i) Timothy Manson; and
- (ii) any of his associates.

However, the Company need not disregard a vote if:

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

(f) Resolution 7

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 7. The Company will also disregard any votes cast in relation to Resolution 7 by:

- (i) a person who will be acquiring CQA Shares, or who might obtain a benefit, pursuant to the Public Offer (except a benefit solely in the capacity of a holder of CQA Shares, if Resolution 7 is passed); and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

(g) Resolution 8

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 8.

(h) Resolution 9

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 8.

(i) Resolution 10

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 10.

(j) Resolution 11

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 11. The Company will also disregard any votes cast in relation to Resolution 11 by:

- (i) a person who will be acquiring CQA Shares, or who might obtain a benefit, pursuant to the Public Offer (except a benefit solely in the capacity of a holder of CQA Shares, if Resolution 11 is passed); and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

(k) Resolution 12

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 12.

(l) Resolution 13

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 13. The Company will also disregard any votes cast in relation to Resolution 13 by:

- (i) any directors of the Company; and
- (ii) an associate of any of those persons.

However, the Company need not disregard a vote if:

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

(m) Resolution 14

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 14. The Company will also disregard any votes cast in relation to Resolution 14 by:

- (i) any Director (including the Proposed Directors) who is eligible to participate in the Plan;
- (ii) and any associates of those Directors.

However, the Company need not disregard a vote if:

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

(n) **Resolution 15**

As all Resolutions are inter-conditional, votes which are disregarded on each of the other Resolutions will also be disregarded on Resolution 15. The Company will also disregard any votes cast in relation to Resolution 15 by:

- (i) any Director (including the Proposed Directors) who is eligible to participate in the Plan; and
- (ii) any associates of those Directors.

However, the Company need not disregard a vote if:

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

### 1.3 **Independent Expert's Report**

The Company engaged the Independent Expert to prepare an Independent's Expert report for the purposes of Shareholder approval required under Section 611 (item 7) of the Corporations Act. The Independent Expert concludes that:

*"the transaction is fair and reasonable to the non-associated shareholders."*

The Independent Expert's report is set out in Annexure A to this Notice of Meeting and you should read it as part of your assessment of the Proposed Transaction.

### 1.4 **Chairman as Proxy**

If the chair of the General Meeting is your proxy, then please note the following:

- (a) You may direct the chair to vote for or against or abstain from voting on any particular Resolution by marking the appropriate box on the enclosed proxy form.
- (b) The chair of the General Meeting intends to vote undirected proxies in favour of each Resolution.

### 1.5 **Entitlement to Vote**

Under Corporations Regulation 7.11.37 the Directors have determined that the members eligible to attend and vote at the General Meeting are those persons who are registered CQA Shareholders of the Company at 7:00pm on 14 December 2015. Accordingly, transfers of any CQA Share registered after that time will be disregarded for determining entitlements to attend and vote at the General Meeting.

### 1.6 **How to Vote**

You may vote in person by attending the General Meeting, or by proxy.

To vote in person, you must attend the General Meeting at Level 25, 1 O'Connell Street, Sydney, New South Wales on 16 December 2015 at 10:00am.

To vote by proxy, a completed Proxy Form must be delivered to and received by the Share Registry by 10:00am on 14 December 2015.

The Proxy Form sets out the instructions for the return of that Proxy Form.

Please return Proxy Forms by either:

- (a) posting or delivering them to the Share Registry at GPO Box 242 Melbourne Victoria 3001;
- (b) faxing them to the Share Registry on (within Australia) 1800 783 447 and (outside Australia) +61 3 9473 2555; or

#### 1.7 Proxies

In accordance with section 249L of the Corporations Act, CQA Shareholders are advised that:

- (a) each CQA Shareholder entitled to vote at the General Meeting has a right to appoint a proxy;
- (b) the proxy need not be a CQA Shareholder;
- (c) an CQA 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 proportional number is specified, each proxy may exercise half of the member's votes; and
- (d) an CQA Shareholder may specify the way in which the proxy is to vote on the Resolutions or may allow the proxy to vote at his discretion. If the way in which a proxy is to vote on a Resolution is specified by a CQA Shareholder, the proxy may not vote on that Resolution except as specified by the CQA Shareholder.

#### 1.8 Corporate Representatives

A body corporate, which is a CQA Shareholder, may appoint an individual (by certificate executed in accordance with section 127 of the Corporations Act or in any other manner satisfactory to the Chairman of the General Meeting) as a representative of that body corporate to exercise all or any of the powers the body corporate may exercise at the General Meeting. The appointment may be standing.

## 2 Explanatory Notes

The Explanatory Notes have been prepared for the information of CQA Shareholders in connection with the business to be conducted at the General Meeting to be held at Level 25, 1 O'Connell Street, Sydney, New South Wales on 16 December 2015 at 10 am.

### 2.1 Proposed Transaction

The Company announced on 9 October 2015 that it had entered into the Acquisition Agreement pursuant to which the Company agreed to acquire all of the shares in Property Connect in consideration for the issue of Shares and the Earn Out Shares (if any) to the Property Connect Shareholders and the issue of Shares to the Property Connect Noteholders.

Completion of the Acquisition Agreement (**Completion**) is subject to a number of conditions including the passing of the Resolutions set out in this Notice of Meeting by CQA Shareholders at the General Meeting, and each of the following being completed:

- (a) the CQA Share Consolidation;
- (b) the conversion of all Property Connect Convertible Notes;
- (c) CQA completing the Public Offer; and
- (d) the transfer to CQA of all of the issued capital in the capital of Property Connect in consideration for the issue of the Consideration Shares and the Earn Out Shares,

as more fully explained in this Notice of Meeting (collectively, the **Proposed Transaction**).

Other than the CQA Share Consolidation (which will be implemented after the General Meeting if all Resolutions are passed), the implementation of each element of the Proposed Transaction is subject to the implementation of all elements of the Proposed Transaction.

Subject to approval of Resolutions 1 to 15 and Completion occurring, Property Connect will nominate Tim Manson, Peter Friend and Samuel Lee to the Board of the Company with effect from Completion. Tim Manson will also be appointed as Chief Executive Officer of the Company with effect from Completion. In conjunction with these appointments, Rodd Boland and Steven Cole will resign as Directors of the Company with effect from Completion.

The Property Connect Acquisition represents a significant change in the nature and scale of the Company's activities, and, therefore, requires the approval of CQA Shareholders.

Consequently, the ASX has advised that the Company is required to satisfy the provisions of Chapters 1 and 2 of the ASX Listing Rules as if applying for admission to the Official List of the ASX. This includes the preparation and issue of a prospectus by the Company which complies with the relevant provisions of the Corporations Act (**Prospectus**).

The Public Offer Shares will be offered by way of the Prospectus. The funds raised by the Public Offer will assist with the expenses of the Proposed Transaction and provide working capital to fund ongoing operations and future growth of the Combined Group.

### 2.2 Indicative Timetable

Event	Date
Dispatch of Notice of Meeting	13 November 2015
Lodgement of Prospectus with ASIC	11 December 2015
General Meeting	16 December 2015
First date for Company to send notices to security holders of change of holdings as a result of consolidation	23 December 2015

Last day for Securities to be entered into holders' security holdings and for Company to send holding statements out to each security holder – consolidation	31 December 2015
Closing date of Prospectus Offer	11 January 2016
Settlement of Property Connect Acquisition – issue of Consideration Shares and Public Offer Shares	19 January 2016
Expected date for re-instatement of the Company's Shares to trading on ASX	22 January 2016
Holding Statements sent out - Capital Raising	22 January 2016

\*These dates are indicative only and may be changed by the Directors in their discretion.

## 2.3 Overview of the Company

Conquest Agri Limited is an Australian public company listed on the official list of the ASX (ASX:CQA). It was a specialist provider of rural services and agri-products. The Company's Shares are currently suspended from quotation from the ASX and have been suspended since September 2012.

The Company was placed into voluntary administration on 5 December 2014 and on 28 January 2015 a Deed of Company Arrangement was executed. The Deed of Company Arrangement concluded on 27 February 2015 and control was returned to the Directors of the Company on that date. A Notice of Effectuation was lodged with ASIC by the Deed Administrators on 2 March 2015. Since that time, the Directors have been reviewing potential investment opportunities as a precursor to attaining re-quotation of the Shares on the ASX.

Currently, the Company has 740,444,579 Shares on issue (on a pre-consolidation basis). There are no other securities on issue in CQA.

## 2.4 Overview of Property Connect

Property Connect is a software development company with a specific focus on developing internet based software for application in the real estate leasing industry. Property Connect currently operates in the United States of America.

Property Connect has developed a software platform with a real-time solution providing complete transparency for the residential leasing process (**LiveOffer Platform** or **LiveOffer**), particularly to facilitate online negotiations and transactions for real estate leases.

### (a) Industry Background

#### (i) Residential leasing

The residential leasing process covers two types of accommodation which can be broadly categorised as follows:

- *Single family dwellings*

which relate to buildings which are usually occupied by just one household or family, and consists of just one dwelling unit or suite.

- *Multifamily apartment dwellings*

which relate to buildings with multiple apartments. There can be multiple apartments on each floor and there are often multiple floors. Apartment buildings can range in many sizes, some with only a few apartments, other with hundreds of apartments on many floors, or any size in between. There are often inside hallways and inside entrances to each apartment, but outside entrances to each apartment are also possible. An

apartment building can be owned by one party and each of the apartments rented to tenants or each of the apartments can be owned as a condominium by separate parties.

In any residential leasing transaction, Property Connect has identified that the following parties who participate in the residential leasing process work to achieve the following objectives set out in the table below:

Participating Party	Objective
Existing residents	Looking to change to a new dwelling from their existing dwelling.
Prospective Residents	Looking to move into a new dwelling.
Leasing agents/landlords/property managers	Looking for residents to lease dwellings they own or manage

(ii) *Industry at a glance*

Since the recovery from the advent of the sub-prime mortgage crisis, the US residential rental industry has burgeoned and is expected to generate annual revenue of \$165.2bn and over the last 5 years have an annual growth year on year of 4.9%, as more individuals move away from homeownership and into renting. Typically, a decline in homeownership rate sees the rental industry benefit and the drop in vacancy rates over the past 5 years has led to greater demand and profitability in the rental industry.

Further, research suggests that rental behaviour has shifted and more than 90% of individuals rely on the internet when searching for rental property. This is according to a survey of more than 13,500 consumers, by For Rent Media SolutionsTM, a leading multifamily marketing resource providing solutions for customers nationwide for more than thirty years, 90% of consumers rely on internet listing services to research apartment listings, while 48% use mobile applications, and 84% of consumers surveyed actively search for apartments using a mobile device.

This has created opportunity for software and technology based company to exploit the online residential listings space and investment in Real Estate Technology has reached records highs.

In 2014, Real Estate Technology saw a record year, reaching more than US\$1bn deployed across more than 150 deals. This represents a 358% increase in funding compared to 2010's total, and a 148% increase year-over-year. Interestingly, roughly 53% of dollars deployed to Real Estate Technology in 2014 went to companies headquartered in China and India, including Mumbai-based Housing.com, Shenzhen-based real estate buying guide Fangdd, and China's AirBnB-type site, Aiwujwu.

The first half of 2015 saw more than \$700M dollars invested across 77 deals, and Q2 of 2015 represented a multiyear quarterly high in funding (though not in deals). The quarter was buoyed by big deals, including a \$129M Series D to Singapore-based real estate listing site PropertyGuru and \$60M in growth equity to Real Matters, which offers property insurance and mortgage providers with cloud-based property data.

Over the last 4 quarters Real Estate Technology activity has topped 35 deals, which is a significant step-up in activity compared to 2010, which saw all four quarters below 10 deals.



(iii) *Real Estate Technology*

## Overview

The Real Estate Technology space encompasses dedicated software used by different participants in the real estate industry, including brokers, investors, property owners and managers, as well as buyers and renters. The category includes online real estate rental and buying guides. To date, such technologies have been primarily focussed around providing:

- (A) residential listing services; and
- (B) listing services for commercial real estate (which encompasses office buildings, hotels, malls, retail stores, multifamily housing, industrial property, warehouses, medical centers and garages).

In both cases, companies in the Real Estate Technology space provide real estate search engine services which allow for the advertising of properties for sale and rent. Such examples of services in relation to residential real estate include Realestate.com.au and Zillow.com, and in relation to commercial real estate, include CoStar and LoopNet.

Despite the technology development around listing services, software development around online *negotiation and transaction services* has been limited.

Property Connect's LiveOffer Platform has been developed to exploit and address the limited technology in this space, and particularly, Property Connect has identified the US Multifamily Apartment Dwelling sector as the most viable to launch its LiveOffer Platform.

(iv) *Competitive landscape*

As Property Connect is seeking to participate in the online negotiation and transactions sector within Real Estate Technology, there are a number of potential competitors to the Company.

The largest competitor (generally) is the status quo – whereby existing means of negotiating and transacting real estate leases are used. For example, currently:

- prospective residents search online and identify properties of interest;
- enquire about the property via contact details provided on the online listing page;
- prospective residents physically visit and inspect the property;
- prospective residents complete an application process; and
- upon approval of the application, a lease will be entered into.

Whilst, online databases are used to "search" for properties, no aspect of negotiation and execution of the transaction is actually conducted online.

*Online rental property auction sites*

There are online rental property auction sites which share similarities to the LiveOffer Platform. Whilst the LiveOffer Platform contains additional features (which are described in more detail below in section 2.4(b)(ii)), common characteristics include the ability to negotiate on rental price, view live offers and allow for engagement between prospective residents and landlords/property managers/lease agents. Examples of such sites include:

- eBidda.com; and

- auctionlets.com.

(v) Regulatory environment

Presently, Property Connect's operations are based in the United States of America (**US**) and subject to US laws and regulations. However, the Company intends to expand Property Connect's operations into other markets such as Australia and Canada. Users, competitors, members of the general public or regulators could allege breaches of legislation in the relevant jurisdictions (for example, if a rental property advertisement was considered to be misleading or deceptive). This could result in remedial action or litigation, which could potentially lead to the Company being required to pay compensation or a fine.

The Company's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Company's profitability. In addition, if regulators took the view that the Company had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant damage to the Company's reputation and consequently impact on its revenue.

The Company intends to offer the LiveOffer Platform, and any future developed products, throughout the world. Regulatory changes could see the Company being required to hold a licence in some of these jurisdictions or otherwise comply with local regulations. This could preclude the Company from offering certain services in these jurisdictions until such a licence has been obtained, or may require the Company to comply with a range of regulatory requirements. Any such increase in the costs and resources associated with the regulatory compliance in these jurisdictions could impact upon the Company's profitability.

(vi) Barriers to entry

Like all software businesses there is a risk that another company may try and emulate the success that Property Connect is enjoying by seeking to replicate the Property Connect's offering. Should a competitor attempt to do this they would face a number of obstacles. First and foremost is that Property Connect has led this offering to the market and as such has a first mover advantage. Other barriers to entry include:

- **Customer Relationships** – Property Connect has a strong existing base and pipeline of high profile customers and is establishing itself as a market leader in the leasing experience. The Company is already equipped with the results and data to engage market trust and confidence.
- **Low Friction Implementation** – Property Connect's platform can be quickly implemented for use and seamlessly integrated with the market's leading property management software systems.
- **Patented Technology** – The technology within the operating business (this includes but is not limited to the code and algorithms) is highly advanced and took a number of leading developers over 12 months to design, build and test prior to selling into the market. Property Connect has taken relevant measures to protect its patents on these technologies against infringement and is committed to further developing its patent portfolio advantage.
- **Brand** – The Property Connect brand has established trademark priorities and is gaining significant market awareness.

- **Approvals** – Property Connect has gained all necessary approvals to operate its business.
- **Sales and customer uptake know-how** – Property Connect has continuously improved its sales and on-boarding.
- **Know-how** developed from months of interactions with clients.

The total of all the above has cost over \$1.5m and a significant amount of time to develop. It is not anticipated that large corporates would spend this type of time and effort to develop this product in house when they can partner with Property Connect and have access to a dynamic and improving product based on feedback from many clients and a full time development team employed to continually improve the product.

(b) **Property Connect Information**

(i) **Company background**

Determining the optimal method to minimize vacancy, maximize retention and maximize rents within a property management company are the key drivers to successfully managing apartment communities. The Property Connect LiveOffer platform seeks to redefine the way management companies enhance these key drivers whilst providing the prospective residents with improved transparency and visibility to secure the property they desire the most.

Currently property management companies carry out the leasing process on a first come, first serve basis, this method of leasing is increasingly ineffective and Property Connect has developed a solution to innovate this process.

Traditional Leasing Methods	Property Connect Leasing Methods
Offers come from a variety of digital and analog sources	Offers are submitted digitally, with visible preferences
No visibility of prospective resident willingness to accept more favorable terms	Realtime and transparent communication of a prospective resident's willingness to accept different terms to secure the lease
Pre-qualified prospective residents are often not considered for future leases	Retargeting prospective residents can be automated with upcoming listings based on resident profiles and matching algorithms.
No real time adjustments to prospective residents offer to secure property	Transparency in the offer process and real time alerts allow prospective residents to adjust their terms to secure property
Past offers that did not secure a property are not converted into future resident leads.	Efficient lead generation automation through digital resident profile
Offer process is not integrated into core workflow or property management platforms.	Integration with leading property management platforms and flexible workflow choices
Inefficient integration with listings services and listing agents.	Direct integration at the transactional and messaging services of major Internet Listing Service (ILS) providers.

The property managers and leasing agents of the Property Connect client base, are exclusively communicated with, via the platform notifications delivered to their desktop, tablet or smartphone at any location at any time of the day.

(ii) **Product Overview – LiveOffer Platform**

The first product that has been taken to market offers property management companies a simple solution to managing, analysing and optimizing their resident leasing process. When a property manager signs on, they are guided through the process to create a LiveOffer, this entails completing some information about the property such as location, photos and description, the preferred lease terms are then entered, these include preferred rent, lease term, available date and the start and end time and date of the LiveOffer. The SecureNow feature can also be enabled allowing the property manager to enter specific lease terms that will engage a prospective resident into agreeing and committing immediately if they desire to do so.

On receiving a link and property ID, prospective residents create a profile by signing-up allowing them to place LiveOffers. LiveOffers are entered by using the sliders to input the desired rent, lease term, move-in date and upfront payment. As a prospective resident moves each slider, the position on the ranking system is dynamically calculated by the proprietary LiveOffer algorithm and instantly shared back in real time so they can see how they are placed against other applicants before they submit an offer. Prospective residents can also click on the ranking system to see the terms of the top LiveOffers.

Once a LiveOffer commences the property manager receives notifications as new LiveOffers are submitted and prospective residents receive notifications throughout the process when new LiveOffers have been submitted and higher LiveOffers have been placed.

At the end of the LiveOffer all participants are notified and the property manager views their dashboard displaying every prospective resident profile. With one click the property manager can simply approve or not approve each prospective resident starting at the most valuable LiveOffer. During this approval process each participant is notified immediately upon any decisions made.

On receiving a successful notification, the winning applicant clicks one button to verify and commit to the lease, upon doing so the property manager finalizes the transaction.

In essence, LiveOffer is redefining the leasing process by providing a technology platform with a real-time solution for lease negotiations. The LiveOffer process creates transparency for the entire lifecycle of the residential leasing process.

(iii) **The Property Connect story and immediate future**

(A) August 2012

- Property Connect was incorporated in the state of California, United States of America.

(B) September 2013

- Property Connect accepted into RocketSpace technology accelerator in San Francisco (RocketSpace is a technology campus designed to assist startups)

(C) November 2013

- Property Connect works with pilot realtors to develop LiveOffer.

- 
- (D) February 2014
- James Windon joins advisory board.
- (E) April 2014
- Initial Property Connect LiveOffer product developed for residential leasing market.
  - Property Connect accepted as a finalist into Startup NEXT LA program .
  - Tom Karemacher joins advisory board.
- (F) May 2014
- Property Connect receives top 5 startup award for the industry at Multifamily Technology and Entrepreneurship Conference(MTEC) and Apartment Internet Marketing Conference (AIM).
  - Property Connect wins Startup NEXT LA program.
  - First early adopt realtors sign up for LiveOffer.
- (G) July 2014
- Property Connect recognized and chosen to speak at Inman News Real Estate Connect Technology Conference as one of 12 startups changing the way we interact with real estate
- (H) September 2014
- First multifamily apartment partner, Bascom.
  - Property Connect establishes Los Angeles office.
- (I) October 2014
- Property Connect recognized and chosen to speak at Maximize Multifamily Asset Management Conference.
- (J) January 2015
- Property Connect initiates multifamily apartment LiveOffer features.
- (K) March 2015
- Property Connect awarded finalist at Harvard Real Estate Venture Competition.
- (L) August 2015
- Property Connect signs Term Sheet with Conquest Agri Limited.
- (M) September 2015
- Property Connect reincorporates in the state of Delaware, United States of America.
  - Samuel Lee joins the Board.
- (N) October 2015

- Property Connect signs Share Purchase Agreement with Conquest Agri Limited.
- Property Connect signs Bill Nye as chairman of multifamily advisory board.
- Property Connect signs letter of intent with Bonaventure Realty Group.
- Property Connect signs letter of intent with ZRS Management.
- Property Connect Signs letter of intent with EIMC portfolio owners.

(O) January 2016

- Property Connect anticipates listing on the ASX

(iv) **Intellectual Property Position**

Property Connect's intellectual property position covers the interface of the LiveOffer real-time lease term negotiation tool. Property Connect is the registered owner of LiveOffer patent with the United States Patent Trademark Office.

By initiating the PCT process, Property Connect aims to pursue patent rights outside the US by filing an international patent application in respect to the App. A PCT application can be filed up to 12 months from the priority application's filing date, and reserves Property Connect's right to file patent application for the App in over the 140 countries that are members of the PCT.

Property Connect's LiveOffer real-time leasing tool and its underlying algorithms and functionality are sold as a service to customers. All operations of the tool are kept on Property Connect servers and protected from duplication or reverse engineering.

(v) **Revenue generation and pricing model**

Property Connect delivers its product as a Software as a Service, customers subscribe to an annual licensing fee and pay a transactional fee. The proposed price list is set out below:

- Licensing fee: US\$150 / month / community (billed annually)
- LiveOffer Transaction Fee: 3% lease term x rent

The prices above are for the U.S. multifamily apartment market. As Property Connect adapts its products and enters new markets, pricing levels will be reviewed according to specific market conditions.

The nature of the pricing model is that it is compounding over time meaning that Property Connect's long-term revenue prospects may continue to improve over time.

(vi) **Current customers and pipeline**

Property Connect has achieved early success with the LiveOffer product, and has secured several large multifamily property companies including:

- Bascom
- Bonaventure Realty Group
- ZRS Management

In addition there are a number of companies currently in the near term sales pipeline (less than 90 days) for the LiveOffer product which if successful, will likely convert to paying customers. These include, but are not limited to:

- Equity Management
- EIMC
- Maryland Advantage
- Sun Communities
- McCormick Baron Management
- Ledic Realty Company
- Innovative Management
- Waterton Residential
- Bozzutto Management
- Ambling Companies
- Tipton
- Aeris Properties
- Orion Real Estate Services
- Myan Management
- Watermark Residential
- Sentinel Real Estate Services
- MEB Management
- Altman Apartments
- Meadow Residential
- Westdale Residential
- Gator Investments
- JIK

There is no guarantee that any of the above companies will become paying customers of Property Connect.

In terms of ideal target customer, Property Connect is targeting organisations with more than 5000 apartments under management. Currently sales and marketing has primarily been focused on U.S. multifamily apartment market.

The current customer acquisition process involves business development managers directly contacting the property management head office and conducting face to face direct selling techniques. Upon becoming a customer, the client is handed over to a customer success team whose responsibility it is to drive property adoption and customer satisfaction within that organisation.

(vii) **Terms applying to customers**

Customers are bound by the Service Agreement and the Terms of Service, under which the Company grants a limited, non-exclusive, non-transferable and revocable license to use the platform in the United States. The license is effective until either the Company or the customer terminates the Service Agreement (which may be done at any time). Under the Service Agreement, the Company may advertise or feature links to websites operated by third parties on the platform. Any material uploaded or transmitted via the platform by the customer will be licensed to the Company such that the Company may use, reproduce, edit and exploit that material.

(viii) **Key strengths**

The key strengths of Property Connect products are:

- (A) A new way for property management companies to lease property - Property Connect has redefined the way property management companies lease property.

- (B) Easily implemented - Implementation does not require any modification to the existing leasing process and can seamlessly be integrated with the markets leading property management software providers.
- (C) Engaging product - An interface that provides residents a vehicle to access properties that traditionally were unavailable due to the first come-first serve process. Additionally, when they find their ideal apartment, residents have the ability to maximize their chances of securing the apartment by offering a combination of a higher rent and better lease terms.
- (D) "Top tier" customer base - top tier customer base that includes iconic management companies such as Bonaventure Realty Group and ZRS Management.
- (E) Global exposure and opportunity - Property Connect has been conceived, designed and developed with a view to sell into the global market.
- (F) Significant revenue growth potential - initially service multifamily market, Property Connect plans to roll out future versions for the student housing and commercial real estate markets.
- (G) Strong business development team and industry experience - Property Connect is recruiting a highly professional, market aware, dedicated management and sales team. Together with the support of the experienced directors they have created a strong culture of sales and customer relationship management to optimize the company's growth trajectory.
- (H) Software as a Service - enables simple implementation without legacy issues and with lower ongoing support and maintenance costs. Any new upgrades or improvements will be seamlessly rolled out and made available expediently to the entire customer base.
- (I) Flexible and scalable platform - the platform that has been developed by Property Connect is scalable for the Company, meaning additional customers can be on-boarded onto the platform at minimal additional marginal cost.

(ix) **Growth strategy**

The primary growth strategy of the Company is by way of new customer acquisitions in the United States of America (**US**). In addition, the Company plans to achieve growth by way of delivering additional products to existing clients.

Proceeds from the Offer will be used to support hiring of a sales and marketing team and for other costs associated with expanding the US market.

Set out below are the Company's specific growth strategies in more detail:

- **Growth of LiveOffer to a wider US market** - Property Connect has experienced early success. Given that the multifamily version has only been on offer a short time, only a small percentage of the target market has been approached by Property Connect to date. The response to Property Connect indicates that the multifamily LiveOffer product is attractive to property management organisations. Property Connect has recruited a Senior Vice President of Business Development to accelerate the sales of its product and will continue to expand the Business Development team to meet customer demand;
- **Introduction of new products to existing and new clients** - currently the only product that is being actively offered in the market is LiveOffer. Once the platform is in the hands of property managers there is significant potential to



sell in additional products. Furthermore there may be other products and income streams that can be developed and sold that are not currently in the development pipeline.

- **Expansion into additional markets** - the Property Connect platform has global application. The initial US multifamily apartment market is the target and additional sectors and markets are anticipated to follow.

(x) **Privacy**

Property Connect collects and stores personal data in its database referred to in the Key Assets. Specifically, this information consists of the resident's name, contact details, residential preferences and enquiry/complaint details. All information about data collection is posted on the Property Connect website on release of v2.0.

The protection of personal information is paramount to Property Connect. Property Connect is bound by state and federal privacy laws in the United States of America (US).

(c) **Property Connect's tangible assets**

The major assets of Property Connect as set out in the Property Connect accounts as at 31 July 2015 include the following:

<b>Assets</b>	<b>Value (A\$)</b>
Cash assets	\$90
Current-receivables	\$0
Fixed assets	\$344,880
Non-current assets	\$349,213
<b>Total assets</b>	<b>\$349,303</b>

## 2.5 **Property Connect business investment highlights**

Property Connect has developed a real estate tool and proprietary algorithm that optimizes the leasing process for property managers to secure the most valuable lease terms, and maximize property value.

**The investment highlights of the Property Connect Acquisition are as follows:**

1. Technology platform that allows property managers to optimize the leasing process and maximize property value;
2. Market leader and first mover advantage in real-time leasing transaction process for multifamily residential apartment sector;
3. Additional growth areas outside initial target market including student housing and commercial real estate leasing;
4. Agreements in place with leading industry influencer management groups and a strong pipeline of partners near contract and pilot stage;
5. Proposed revenue derived from 2 main channels:

- a. License Fee - LiveOffer service per community;
  - b. Transaction Fee - Per LiveOffer Transaction;
6. Experienced and well qualified management team.

## 2.6 Conditions of the Proposed Transaction

Completion is subject to a number of conditions precedent set out in the Acquisition Agreement, of which the following remain outstanding as at the date of this Notice of Meeting:

- (a) The Property Connect Shareholders providing written confirmation that no material contracts of Property Connect's business will be terminated as a result of the Proposed Transaction and procuring the written consents of material contract counterparties or third parties to the Proposed Transaction (if required);
- (b) The Property Connect Shareholders providing audited accounts for Property Connect to 30 June 2015;
- (c) The release of all encumbrances over Property Connect Shares and the assets and undertaking of Property Connect;
- (d) Property Connect procuring conversion of all existing convertible securities of Property Connect into shares in Property Connect;
- (e) The Company procuring repayment of the face value and accumulated interest of a Convertible Note in Property Connect held by Manson;
- (f) Manson, William Lopez and Sam Lee entering into employment agreements with Property Connect – **this condition has been satisfied**;
- (g) There being no distributions to the Property Connect Shareholders or any other person whether by way of dividend, repayment of loans or otherwise;
- (h) The Company obtaining any regulatory approvals and satisfying all requirements under the Corporations Act and the ASX Listing Rules (including all appropriate or necessary waivers) for the transactions contemplated by:
  - (i) the Acquisition Agreement;
  - (ii) the Prospectus;
  - (iii) the Public Offer; and
  - (iv) this Notice of Meeting.
- (i) CQA Shareholders approving all of the Resolutions;
- (j) CQA completing the Public Offer;
- (k) The Property Connect Shareholders entering into any restriction agreements required by the ASX or the Company;
- (l) There being no material adverse change in relation to the business of Property Connect, Property Connect or the Company in the period up to Completion (in each case, other than the transactions contemplated in the Acquisition Agreement, this Notice of Meeting and the Prospectus);
- (m) ASX confirmation that it is satisfied that the Company has re-complied with chapters 1 and 2 of the ASX Listing Rules and that suspension of trading in shares in the Company will cease with effect from or before Completion.

As of the date of this Notice of Meeting, the Directors are not aware of any reason why any of the outstanding conditions to the Property Connect Acquisition will not be satisfied on or before the time required under the Acquisition Agreement. The Directors will keep CQA Shareholders and the ASX advised in this regard at all relevant times, including as to the outcome of the vote by CQA Shareholders at the General Meeting.

If all of the Resolutions are passed, and the other conditions to the Property Connect Acquisition are satisfied, Completion is expected to occur on or about 19 January 2015. If any of the Conditions are not satisfied, in the absence of any agreement between the parties otherwise, the Acquisition Agreement will be terminated and the Property Connect Acquisition will not proceed, in which case the advantages of the Property Connect Acquisition will not be realised.

## 2.7 **Restricted Securities**

Shares to be issued to the Property Connect Shareholders (including Manson) pursuant to this Notice of Meeting may be held in escrow as ASX restricted securities for a maximum of 24 months after the Company is reinstated to Official Quotation, if required by the ASX Listing Rules.

## 2.8 **If Completion does not occur**

By way of background, the ASX introduced a policy effective from 1 January 2014, whereby entities whose securities have been suspended from trading for a continuous period of 3 years would be automatically removed from the Official List of the ASX. The Company's securities have been continuously suspended from trading since 3 October 2012. Accordingly, the Company must have its securities re-instated to trading prior to 1 January 2016 to avoid being automatically removed from the Official List of the ASX. ASX Guidance note 33 provides that :

ASX may agree to a short extension of the above deadline (i.e. of 1 January 2016) for the automatic removal of a long-term suspended entity if the entity can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to the resumption of trading in its securities within a reasonable period. For these purposes, "final stages" means:

- (a) having announced the transaction to the market;
- (b) having signed definitive legal agreements for the transaction (including for any financing required in respect of the transaction);
- (c) if the transaction requires a prospectus or product disclosure statement to be lodged with ASIC, having lodged that document with ASIC; and
- (d) if the transaction requires security holder approval, having obtained that approval.

The Company has announced the Proposed Transaction to the market having entered into the Acquisition Agreement on 8 October 2015. The Company would have held the Meeting and issued the Prospectus before 1 January 2016 deadline. Accordingly, the Company proposes to apply to ASX for an extension of the deadline upon issuing the Prospectus. ASX has informally advised the Company that it would likely provide an extension to the deadline provided the Company has held the Meeting and has issued the Prospectus.

If Completion of the Property Connect Acquisition does not occur, it is likely that the Company will be automatically removed from the Official List of the ASX..

## 3 **Pro forma statement of financial position**

### 3.1 **Pro forma balance sheet**

The unaudited pro-forma balance sheet of the Company, following Completion and assuming that the maximum amount is raised under the Public Offer, is set out below:

CONQUEST AGRI LIMITED PROFORMA BALANCE SHEET AS AT 30 JUNE 2015					
	PCI (Unaudited) Actuals USD	PCI (Unaudited) Actuals AUD	CQA (Unaudited) Actuals AUD	Adjustments (see sect 3.2)	Proforma Consolidated Balance Sheet Post Transaction
<b>Assets</b>					
<b>Current Assets</b>					
Cash	64	90	13,742	2,430,000	2,443,832
Other receivables	-	-	16,847	-	16,847
<b>Total Current Assets</b>	<b>64</b>	<b>90</b>	<b>30,589</b>	<b>2,430,000</b>	<b>2,460,679</b>
<b>Non-Current Assets</b>					
Security Deposit	3,076	4,333	-	-	4,333
Intangibles	244,865	344,880	-	-	344,880
<b>Total Non-Current Assets</b>	<b>247,941</b>	<b>349,213</b>	<b>-</b>	<b>-</b>	<b>349,213</b>
<b>Total Assets</b>	<b>248,005</b>	<b>349,303</b>	<b>30,589</b>	<b>2,430,000</b>	<b>2,809,892</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade Creditors & Accruals	120,091	169,142	67,143	-	236,285
Other	-	-	2,253	-	2,253
<b>Total Current Liabilities</b>	<b>120,091</b>	<b>169,142</b>	<b>69,396</b>	<b>-</b>	<b>238,538</b>
<b>Non-Current Liabilities</b>					
Convertible Promissory Notes	575,235	810,191	-	-	810,191
Related Party Loans	231,257	325,714	-	-	325,714
Accrued Expenses - NC	110,934	156,245	-	-	156,245
<b>Total Non-Current Liabilities</b>	<b>917,426</b>	<b>1,292,150</b>	<b>-</b>	<b>-</b>	<b>1,292,150</b>
<b>Total Liabilities</b>	<b>1,037,517</b>	<b>1,461,292</b>	<b>69,396</b>	<b>-</b>	<b>1,530,688</b>
<b>Net Assets</b>	<b>(789,512)</b>	<b>(1,111,989)</b>	<b>(38,807)</b>	<b>2,430,000</b>	<b>1,279,204</b>

### 3.2 Pro Forma adjustments to the Statement of Financial Position

The pro forma adjustments made to the Historical Statement of Financial Position of the Company as at 30 June 2015 (unaudited) reflect the following events and assumptions:

Cash	
Issuance and conversion of convertible notes	600,000
Transaction costs	(520,000)
Capital raised under public offer	2,500,000
Equity Issuance Costs	(150,000)
Total adjustments	2,430,000

### 3.3 Commentary to Pro Forma Consolidated Balance Sheet

#### (a) Issuance and conversion of Convertible Notes

As outlined in Resolution 3, Property Connect issued the Property Connect Notes as consideration for \$600,000 of loan funds advanced to Property Connect by Property Connect Noteholders. Under the terms of the Property Connect Convertible Note, the Company is obliged to issue on Completion of the Proposed Transaction, the Conversion Shares at a deemed issue price of \$0.025 per Conversion Share to the Property Connect Noteholders in satisfaction of all outstanding amounts payable by Property Connect to the Property Connect Noteholders under the Property Connect Convertible Notes.

#### (b) Transaction and Equity Issuance costs

All transaction costs incurred in relation to the Property Connect Acquisition, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred. Costs directly attributable to the issue of ordinary shares will be recognised as a deduction from equity, net of any tax effects.

#### (c) Capital raised under public offer

As outlined in Resolution 7, the Company proposes to issue up to 50,000,000 Shares (on a post Consolidation basis) at an issue price of \$0.05 per Public Offer Share, to raise up to \$2,500,000.

## 4 Effect of the Proposed Transaction on CQA Shareholders

The effect of the issue of the Consideration Shares, Conversion Shares, Public Offer Shares, the Promoter Shares and the Earn Out Shares on the share capital of CQA (after implementation of the CQA Share Consolidation) is set out in the table below:

**Table 1: Capital Structure of Company (on a post-consolidation basis) following the passing of all Resolutions and completion of the Proposed Transaction, including completion of the maximum capital raising under the CQA Public Offer and issue of the maximum number of Earn Out Shares.**

Type of CQA Shareholder	Before Completion		After Completion		After Earn Out	
	No. of Shares	% of total number of Shares	No. of Shares	% of total number of Shares	No. of Shares	% of total number of Shares
Existing CQA Shareholders	40,000,000	100%	40,000,000	16.30%	40,000,000	12.29%

Property Connect Noteholders (or their nominees)	-	-	25,361,096	10.34%	25,361,096	7.79%
Property Connect Shareholders (or their nominees) including Manson	-	-	120,000,000	48.91%	200,000,000	61.47%
Subscribers to Public Offer	-	-	50,000,000	20.54%	50,000,000	15.37%
Promoter Shares	-	-	10,000,000	4.11%	10,000,000	3.08%
<b>TOTAL</b>	<b>40,000,000</b>	<b>100%</b>	<b>245,361,096</b>	<b>100%</b>	<b>325,361,096</b>	<b>100%</b>

\*the table above excludes Shares that may be issued under the ESOP and assumes that there are no securities in CQA issued between the date of this Notice and the date of issue of the Earn Out Shares

## 5 Advantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholders' decision on how to vote on the Resolutions:

- (a) The acquisition provides a path back to ASX re-quotations for the Company.
- (b) The continuing viability of the Company as a going concern depends on identifying suitable opportunities that will sustain a viable business. The Proposed Transaction presents one such opportunity and, as such, the Proposed Transaction will allow the Company to continue as a going concern.
- (c) Through the Property Connect Acquisition, a larger market capitalisation and enhanced shareholder base should increase the liquidity of the Company's Shares.
- (d) If Completion occurs, the Company will resume trading and avoid being automatically removed from the Official List of the ASX (as foreshadowed in the Chairman's Letter and section 2.8 of these Explanatory Notes above).

## 6 Disadvantages of the Proposed Transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholders' decision on how to vote on the Resolutions:

- (a) The Company will be changing the nature of its activities to become an online technology company, which may not be consistent with the objectives of Shareholders and will reduce the possibility of an alternative direction for the Company.
- (b) There are a number of other risk factors associated with the change in nature and scale of the Company's activities, and with Property Connect's business and operations. Some of these risks are set out in Section 8 of these Explanatory Notes

## 7 Business Overview

### 7.1 Board and Senior Management

- (a) Directors

Immediately following Completion, the Board of Directors of the Company will comprise the following additional Directors:

- (i) **Tim Manson – Chief Executive Officer**

Mr. Manson is the founder and CEO of Property Connect and Chairman of the Real Estate Sector of Founders Network. Prior to this he was Managing Director of The Manson Group for 8 years, a Sydney based Real Estate Development Company. He holds a Diploma in Financial Markets, Diploma in Building Studies and Bachelor of Business Administration Degree with a concentration in Real Estate.

Tim commenced his career in 2001, working on projects including land and house developments, large commercial refurbishments, and retail construction of a major equipment hire company and the development of several industrial business parks.

In 2004 he co-founded The Manson Group as a new vehicle to develop properties and was appointed Managing Director. The initial projects included a commercial property in Melbourne, developing 750 self-storage units and 45 high-end terrace houses in Sydney,

Tim started 2 new divisions in 2006, Sales, Leasing & Property Management to internally run the group's increasing portfolio of properties consisting of industrial factories, commercial buildings and residential apartments and houses, and also a Design and Construction division-servicing medium to large commercial clients.

During these years, Tim was always involved in financial markets via his private company TKM Investments and in 2009 he expanded the diversification of The Manson Group by proactively investing into areas including listed and unlisted property trusts, mining companies, digital media companies and technology.

Throughout 2010-2012 the original real estate focused development company grew to become an organization now undertaking on a multi-faceted approach in a diverse range of areas surrounding real estate, successfully planning, designing and building numerous projects in conjunction with managing a wide ranging asset portfolio.

(ii) **Peter Friend – Director**

Peter Friend holds a Bachelor of Laws degree from the University of Technology, Sydney, and currently is the Company Secretary and General Counsel of Australasian Wealth Investments Limited. Prior to this, his professional career has included executive and director roles at several companies in the financial services, gaming and wagering and sporting industries spanning more than 35 years. In particular, during his 16 year career with State Bank of New South Wales Limited, he was director of more than 15 companies associated with the Bank. After completing the trade sale of the Bank to Colonial, he took on several executive roles at listed public companies and was an officer of those companies.

Peter has also served in senior roles with Australian Rugby Union Limited and Football Federation of Australia and has been an officer of both entities.

Peter is a solicitor of the Supreme Court of New South Wales and the High Court of Australia, as well as a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

**Samuel Lee - Director**

Samuel has 7 years of legal work experience, working as an attorney at Google Inc., as a real estate associate at Atkinson Andelson Loya Ruud & Romo and with various law firms in complex litigation practices. His experience on the Waze, Nest Labs and Motorola Home transactions while at Google heavily influence his corporate operational philosophy. He holds a Juris Doctor from the University of Michigan Law School and a Bachelor of Science from Pomona College.

Samuel has also worked in various production and operations capacities at Yahoo! and Catcha Group, a Malaysia-based investment firm with 3 recent ASX

IPOs. He also founded LSAT Zone, a web-based test preparation service for US graduate law school admissions.

Samuel is passionate about developing disrupting technologies in order to leverage technological shifts to redefine traditional industries.

## 8 Risk Factors

Property Connect's operations are subject to a number of risks, some of which are listed below, which could materially adversely affect the Company's business, results of operation and/or financial condition.

The following is not an exhaustive summary but identifies the areas the Board regards as the major risks specific to an investment in the Company. You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Notice of Meeting. You should also seek your own professional advice in relation to the risks associated with an investment in the Company and should make your own assessment as to investing in the Company.

### 8.1 Risks relating to the change in nature and scale of activities

#### (a) Re-quotation of CQA Shares on the ASX

As the Company has no recent involvement in providing online technology products and solutions, the Proposed Transaction constitutes a significant change in the nature and scale of the Company's activities and, in accordance with Listing Rule 11.1.3, the Company needs to comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the ASX. There is a risk that the Company may not be able to meet the requirements of ASX for re-quotation of its Shares on ASX. Should this occur, the CQA Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all.

#### (b) Conditions Precedent

The Property Connect Acquisition is subject to a number of conditions precedents as summarised above in section 2.6 of this Notice of Meeting. If these conditions are not satisfied or waived by the relevant due date, the Property Connect Acquisition may not proceed, in which case the Company will need to evaluate whether it can continue as a going concern.

### 8.2 General risk factors

#### (a) Market conditions

The Shares are to be quoted on ASX, where the price may rise or fall relative to the Offer Price. The Shares issued or sold under the Prospectus carry no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade on ASX. The value of the Shares will be determined by the share market and will be subject to a range of factors, many or all of which may be beyond the control of the Company and the management team.

#### (b) Economic conditions

The performance of the Company is likely to be affected by changes in economic conditions. Profitability of the business may be affected by some of the matters listed below. The Directors make no forecast in regard to:

- (i) the future demand for Property Connect's products and services;
- (ii) general financial issues which may affect policies, exchange rates, inflation and interest rates;
- (iii) deterioration in economic conditions, possibly leading to reductions in business spending and other potential revenues which could be expected to have a



corresponding adverse impact on the Combined Group's operating and financial performance;

- (iv) the strength of the equity and share markets in Australia and throughout the world;
  - (v) financial failure or default by any entity with which a member of the Combined Group is or may become involved in a contractual relationship; and
  - (vi) industrial disputes in Australia and overseas.
- (c) Government policies & legislation

The Company may be affected by changes to government policies and legislation, including those relating to telecommunications, privacy, data security and taxation.

### 8.3 Property Connect specific risk factors

(a) Technology

Property Connect's business is primarily based around the LiveOffer Platform. The allure of the LiveOffer Platform to users in the retail rental property market is its streamlined interface and the ability for rental property seekers and agents alike to be matched based on their respective preferences, and to view rental offers and applications in real-time. The technology in the LiveOffer Platform has been developed around this. Accordingly, as with all other technology products, there is a risk that the LiveOffer Platform technology may be superseded by a new technology which has advantages over Property Connect's offerings and delivers real-time benefits in a more practical, efficient, engaging and reliable manner.

(b) Intellectual property

There is a risk that other individuals or companies may claim to have an interest in intellectual property used by Property Connect. The intellectual property may be challenged by other parties and defending such actions may adversely impact Property Connect's earnings. In addition, Property Connect may be required to develop or support new technology and intellectual property, which may require significant capital expenditure by Property Connect. Property Connect will likely acquire trade secrets and other intellectual property rights that are important assets and critical for the development of the LiveOffer Platform and Property Connect's product offerings in the future. Property Connect may therefore rely on a combination of confidentiality and license agreements with its consultants and third parties with whom it has relationships, as well as domain name, trade secret, copyright and patent laws, to protect its brand and other intellectual property rights. However, various events outside of Property Connect's control could pose a threat to its intellectual property rights, as well as to its products and the LiveOffer Platform.

(c) Competition

The real estate technology space (**Real Estate Technology**) is highly competitive. The actions of an existing competitor or the introduction of a new competitor in the Real Estate Technology market may make it difficult for Property Connect to attract new users to its LiveOffer Platform and expand its user base. Competitor action may cause the users of the LiveOffer Platform to use a Competitor's product. This will materially affect Property Connect's ability to grow its revenue, which in turn, may have an adverse effect on its profitability. If Property Connect's LiveOffer Platform proves to be less successful than its competitors' products, the whole business of Property Connect could be adversely affected.

(d) Reliance on key personnel

Property Connect relies heavily on the experience and knowledge of its management team, which consists of strong experience in software development, real estate and Company management. Property Connect is also dependent on its ability to recruit and retain suitably qualified personnel. In the event that such key personnel leave Property Connect and Property Connect was unable to recruit suitable replacements, such loss

could have a materially adverse effect on Property Connect, particularly given the small size of Property Connect.

(e) Growth prospects and company expansion plans

Property Connect is an early-stage start up, and as such its future success and profitability is modeled on accelerated growth and an expansion plan to achieve the objective of transitioning a bulk of online rental applications to its LiveOffer Platform, thereby obtaining a large user footprint (both domestically and globally). Property Connect's growth and expansion prospects are dependent upon a number of factors, including, user take up of the LiveOffer Platform, the success of marketing and sales campaigns and execution of rollout of the LiveOffer Platform. If Property Connect fails to execute any expansion plan and cannot attract users for its product offerings, its financial performance is likely to be negatively affected.

(f) Sales and marketing success

Following completion of the Public Offer, Property Connect intends to invest capital into greater domestic and international sales capacity. Selling and marketing of the LiveOffer Platform and the "Property Connect" brand will be vital to its sustained presence and success both in the United States of America and globally. Accordingly, the commercial success of the LiveOffer Platform will be heavily contingent on the success of the sales and marketing campaigns employed by Property Connect and subsequent development of the goodwill in the "Property Connect" brand. By its nature, there is no guarantee that Property Connect's sales and marketing campaign will be successful. In the event that it is not, Property Connect may encounter difficulty commercialising its product, which would have an impact on Property Connect's future sales and profitability.

(g) Limited trading history

Property Connect is essentially a start-up company with a limited trading history. Since its incorporation, Property Connect's activities have principally involved raising money, developing its LiveOffer Platform and more recently commencing a sales operation and hiring an employee base. Like many start-up companies, Property Connect has incurred losses since its inception. No assurance can be given regarding the future commercial viability of Property Connect through the implementation of its business plan.

(h) Reliance on access to internet

The LiveOffer Platform is dependent on the ability of its users to access the internet. Access is provided by various classes of entities in the broadband and internet access marketplace. Should any of these entities disrupt, restrict or affect the cost of access to Property Connect's LiveOffer Platform, usage of Property Connect's LiveOffer Platform may be negatively impacted, which could adversely affect user experience with the LiveOffer Platform and any future products developed by Property Connect.

(i) Reliance on search engines

Should Property Connect's brand or products fail to attract a high level of internet search ranking, direction of users or potential new customers to its products could be limited and its business and operating results could be adversely affected. Property Connect's search result rank is outside of its control and competitors' search engine procedures may result in their websites or online products receiving a higher search result ranking. Reduced numbers of potential users directed to Property Connect's LiveOffer Platform could adversely affect its business and operating results.

(j) Liquidity risk

On completion of the Offer, and assuming the Offer is fully subscribed, the Property Connect Shareholders will hold 61.47% of the total issued Share capital of the Company (assuming Property Connect Shareholders do not participate in the Offer, Earn Out Shares are issued but no ESOP Shares are issued) or 48.91% of the total issued Share capital of the Company (assuming Property Connect Shareholders do not participate in

the Offer, no Earn Out Shares and ESOP Shares are issued). Under Chapter 9 of the ASX Listing Rules, a number of the Shares held by the Property Connect Shareholders will be subject to escrow periods which may cause a liquidity risk, as some of these shares may not be traded for up to a period of 24 months. Furthermore, there is no guarantee that there will be an ongoing liquid market for Shares. If illiquidity arises, there is a real risk that Shareholders will be unable to realize their investment in Property Connect.

(k) Faults with the LiveOffer Platform

Because Property Connect's LiveOffer Platform is complex, it may contain errors or defects that users identify after they begin using it, which could harm Property Connect's reputation and business. Internet-based services frequently contain undetected errors when first introduced or when new versions or enhancements are released. Property Connect has on occasions found defects in the LiveOffer Platform and new errors in this product and any future products and services may be detected in the future. If that occurs, the Company could lose future sales or customers.

(l) Regulatory environment

Presently, Property Connect's operations are based in the United States of America (**US**) and subject to US laws and regulations. However, the Company intends to expand Property Connect's operations into other markets such as Australia and Canada. Users, competitors, members of the general public or regulators could allege breaches of legislation in the relevant jurisdictions (for example, if a rental property advertisement was considered to be misleading or deceptive). This could result in remedial action or litigation, which could potentially lead to the Company being required to pay compensation or a fine.

The Company's operations may become subject to regulatory requirements, such as licensing and reporting obligations, which would increase the costs and resources associated with regulatory compliance. Any such increase in the costs and resources associated with regulatory compliance could impact upon the Company's profitability. In addition, if regulators took the view that the Company had failed to comply with regulatory requirements, this could lead to enforcement action resulting in public warnings, infringement notices or the imposition of a pecuniary penalty. This could lead to significant damage to the Company's reputation and consequently impact on its revenue.

The Company intends to offer the LiveOffer Platform, and any future developed products, throughout the world. Regulatory changes could see the Company being required to hold a licence in some of these jurisdictions or otherwise comply with local regulations. This could preclude the Company from offering certain services in these jurisdictions until such a licence has been obtained, or may require the Company to comply with a range of regulatory requirements. Any such increase in the costs and resources associated with the regulatory compliance in these jurisdictions could impact upon the Company's profitability.

(m) Foreign exchange risks

Property Connect's revenues, costs and expenses in the US are denominated in US dollars, whereas the Company reports in Australian dollars. As a result of the use of these different currencies, the Combined Group is subject to foreign currency fluctuations which may materially affect its financial position and operating results. For example, a depreciation of the US dollar relative to the Australian dollar may result in lower than anticipated revenue, profit and earnings as a result of the translation of the USD earnings into AUD.

(n) Hacker attacks

Property Connect relies upon the availability of its website to provide services to customers and attract new customers. Hackers could render the website unavailable through a disrupted denial of service or other disruptive attacks.

Although Property Connect has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the website could lead to a loss of revenues for the Company. Further, it could hinder the Company's abilities to retain existing customers or attract new customers, which would have a material adverse impact on the Company's growth.

(o) Domain name risk

Property Connect's business depends to some extent on customers being attracted to its website. Property Connect has registered a domain name for the purposes of its website. However, should the Company fail to renew, or otherwise, lose control of the Property Connect domain name, it would lose all website traffic direct to that domain. This would likely adversely affect the Company's revenue.

(p) Funding

While Property Connect believes it will have sufficient funds after completion of the Proposed Transaction to meet all of its growth and capital requirements for the near term, Property Connect may seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources. There can be no assurance that Property Connect will be able to raise such capital on favourable terms or at all. If Property Connect is unable to obtain such additional capital, it may be required to reduce the scope of its anticipated activities, which could adversely affect its business, financial condition and operating results.

## 9 Escrow

The ASX has expressly reserved the right to apply escrow conditions pursuant to Appendix 9B to any securities of the Company issued pursuant to the Property Connect Acquisition.

A restricted security is defined under the ASX Listing Rules in reference to Appendix 9B, which also sets out various categories of persons who may be issued restricted securities and the circumstances in which those securities are listed as restricted. Item 7 of Appendix 9B of the ASX Listing Rules provides that securities issued before admission where consideration for the issues of the securities are the services performed by the promoter are 'restricted securities'.

The holders of restricted securities are prohibited from disposing of the securities, creating a security interest over them or generally doing anything that would have the effect of transferring from the holder to another, effective ownership or control of the securities for a particular period.

## 10 Directors' Recommendations and Voting

The Directors unanimously approved the proposal to put the Resolutions to CQA Shareholders.

Each Director considers that the proposals more fully described in these Explanatory Notes are in the best interests of the Company and recommends to CQA Shareholders to vote in favour of each of the Resolutions.

Other than as stated in these Explanatory Notes, the Directors have no interest in the Resolutions.

In making their recommendations, the Directors advise CQA Shareholders to read this Notice of Meeting in its entirety, and to seek their own independent financial advice in relation to it.

The Directors each intend to vote in favour of all Resolutions, subject to the application of voting exclusions under the ASX Listing Rules and the Corporations Act.

Details of the Directors' and the Proposed Directors' interests in the Company's securities are set out in Section 12.1.

## 11 Resolutions

### 11.1 Resolution 1: Consolidation of CQA Shares

#### (a) Introduction

The Company proposes to consolidate its ordinary share capital through the conversion of every 18.5111 Shares into 1 Share, with any fractional entitlements rounded up to the nearest whole number.

Under section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of shareholders at a general meeting. ASX Listing Rule 7.20 provides that if an entity proposes to reorganise its capital, it must advise shareholders of certain matters, which are set out in this Section 11.1.

This Resolution is conditional on the passing of all Resolutions.

#### (b) Reason for the Proposed Consolidation

In view of the significance of the proposed changes under the Proposed Transaction, under the terms of ASX Listing Rule 11.1.3, the Company is required to comply with Chapters 1 and 2 of the ASX Listing Rules. Although it is a condition of Chapter 2 to have a minimum share price of \$0.20, the Company has obtained a waiver from the ASX to allow the Company to utilise a listing price of \$0.05.

The CQA Share Consolidation will assist the Company to achieve a listing price of at least \$0.05.

#### (c) Effect of the Proposed Consolidation

As at the date of this Notice of Meeting, the Company has 740,444,579 Shares on issue. Following implementation of the proposed consolidation, the Company will have 40,000,000 CQA Shares on issue, subject to rounding of fractional entitlements.

The Company has no options or other convertible securities on issue.

#### (d) Holding Statements

From the date of proposed consolidation, all existing holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-CQA Share Consolidation basis. After the CQA Share Consolidation becomes effective, the Company will arrange for new holding statements to be issued to CQA Shareholders. It is the responsibility of each CQA Shareholder to check the number of Shares held prior to and following the CQA Share Consolidation.

The CQA Share Consolidation will not result in any change to the substantive rights and obligations of CQA Shareholders. The Company's balance sheet and tax position will also remain unaltered as a result of the proposed consolidation.

CQA Shareholders are advised to seek their own tax advice on the effect of the CQA Share Consolidation and neither the Company, the Directors nor the Company's advisers accept any responsibility for the individual taxation implications arising from the CQA Share Consolidation.

## (e) Timetable

An indicative timetable that the Company will be following, in accordance with Appendix 7A of the ASX Listing Rules is set out below. The Company notes that the CQA Shares will continue to remain suspended from Official Quotation until such time as the transactions the subject of this Notice of Meeting have been completed and the Company has complied with the pre-quotation requirements of the ASX. Accordingly, there will be no trading in the CQA Shares until the Company has been reinstated to Official Quotation.

Event	Date
General Meeting to approve CQA Share Consolidation	<b>16 December 2015</b>
Company informs ASX that CQA Shareholders have approved CQA Share Consolidation	<b>16 December 2015</b>
Last day for pre-consolidation trading	<b>17 December 2015</b>
Trading on a deferred settlement basis starts*	<b>18 December 2015</b>
Last day to register transfers on a pre-consolidation basis	<b>22 December 2015</b>
First day for Company to send notice to the Shareholders of change of holdings as a result of reorganisation	<b>23 December 2015</b>
First day for Company to register securities on a post-consolidation basis and for issue of holding statements	
Issue date	<b>31 December 2015</b>
Deferred settlement market ends	
Last day for securities to be entered into the holders' security holdings and for Company to send notice to each security holder	

## (f) Directors' Recommendation

The Board recommends that CQA Shareholders vote in favour of this Resolution. The reasons the Board makes this recommendation are that they consider:

- (i) the CQA Share Consolidation will assist the Company to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, and thereby enable the Company to continue to be admitted to the Official List of the ASX following completion of the Proposed Transaction; and
- (ii) the CQA Share Consolidation is in the best interests of the Company.

Other than as CQA Shareholders, none of the Directors have an interest in the outcome of this Resolution.

## 11.2 Resolution 2: Acquisition of Property Connect, Inc.

## (a) Introduction

Resolution 2 refers to the proposed acquisition by CQA of all of the issued capital in the capital of Property Connect and a change to the scale and nature of the Company's activities. ASX Listing Rule 11.1 provides that if a company proposes to make a significant change to the nature or scale of its activities it must, if required by the ASX, obtain the approval of shareholders for those changes. The Company is required to obtain CQA Shareholder approval for the Property Connect Acquisition.

The ASX has indicated to the Company that, in view of the significance of the proposed changes, under the terms of ASX Listing Rule 11.1.3, the Company is required to comply with Chapters 1 and 2 of the ASX Listing Rules. The Company's Shares are currently suspended from quotation. Under the terms of Guidance Note 12 to the ASX Listing Rules, following CQA Shareholder approval of the Resolutions, trading in CQA Shares will remain suspended until such time as the requirements of Chapters 1 and 2 of the ASX Listing Rules have been met.

This Resolution is conditional on the passing of all Resolutions.

(b) **Rationale for the Property Connect Acquisition**

CQA has sought, for some time, to make an appropriate investment to maximise returns to CQA Shareholders. Having carefully considered a number of options, the Board believes that, subject to CQA Shareholder approval, the Property Connect Acquisition and other elements of the Proposed Transaction represent an attractive opportunity for CQA Shareholders.

After completion of the Proposed Transaction, the Company will have cash available to fund growth of the Property Connect business.

(c) **Conditional on re-compliance with Chapters 1 and 2 of ASX Listing Rules**

Completion of the Property Connect Acquisition is conditional upon ASX confirming that the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

(d) **Directors' Recommendation**

The Directors having no interest in the outcome of this Resolution other than as a CQA Shareholder, recommend that CQA Shareholders vote in favour of this Resolution for the following reasons:

- (i) the Property Connect Acquisition and other elements of the Proposed Transaction represent an attractive opportunity for CQA Shareholders; and
- (ii) the Proposed Transaction is in the best interests of the Company.

### 11.3 **Resolution 3: Issue of Conversion Shares to Property Connect Noteholders**

(a) **Introduction**

As of the date of this Notice of Meeting, Property Connect has the Property Connect Convertible Notes on issue. The Property Connect Notes are held by the Property Connect Noteholders who are unrelated parties of the Company. Property Connect issued the Property Connect Notes as consideration for loan funds advanced to Property Connect by those Property Connect Noteholders. Under the terms of the Property Connect Convertible Note, the Company is obliged to issue on Completion of the Proposed Transaction, the Conversion Shares to the Property Connect Noteholders in satisfaction of all outstanding amounts payable by Property Connect to the Property Connect Noteholders under the Property Connect Convertible Notes.

Resolution 3 proposes to issue the Property Connect Noteholders the Conversion Shares, each with a deemed issue price of \$0.025 per Conversion Share (being the agreed price under the terms of the Property Connect Convertible Notes).

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. The proposed issue of Conversion Shares contemplated under Resolution 3 will exceed this limit. The effect of CQA Shareholder approval will be that the Conversion Shares will not be counted in calculating the number of securities which the Company can issue in the future under the 15% limit imposed by ASX Listing Rule 7.1.

In accordance with Listing Rule 7.1, Shareholder approval is sought for the issue of the Conversion Shares.

This Resolution is conditional on the passing of all Resolutions.

(b) ASX Listing Rule 7.3 requirement – Conversion Shares

In accordance with the Corporations Act and the ASX Listing Rules, the Company provides the following additional information to CQA Shareholders in relation to the issue of the Consideration Shares:

<b>Names of the allottees or the basis upon which allottees will be identified or selected:</b>	The Property Connect Noteholders are all unrelated parties of the Company.
<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:</b>	25,361,096
<b>The date by which the entity will issue the securities:</b>	The Conversion Shares will be issued on Completion (which is expected to occur on or about 19 January 2015) and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The deemed issue price for the Conversion Shares is \$0.025 per Conversion Share.
<b>Terms of the securities:</b>	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
<b>Use (or intended use) of the funds raised:</b>	As the Conversion Shares are being issued to satisfy the amounts advanced by the Property Connect Noteholders under the Property Connect Convertible Notes, no funds will be raised by the issue.

#### 11.4 **Resolution 4 and 5: Issue of Consideration Shares and Earn Out Shares to Property Connect Shareholders (other than Manson)**

(a) Introduction

Resolutions 4 and 5 propose (respectively) to issue the Property Connect Shareholders:

- (i) up to 56,273,673 Consideration Shares; and
- (ii) up to 37,515,782 Earn Out Shares,

each with a deemed issue price of \$0.05 per Share, as consideration for the acquisition by the Company of all of the issued capital in the capital of Property Connect.

ASX Listing Rule 7.1 is set out above in relation to Resolution 3. The effect of CQA Shareholder approval will be that the Consideration Shares and any Earn Out Shares issued will not be counted in calculating the number of securities which the Company can issue in the future under the 15% limit imposed by ASX Listing Rule 7.1.

In accordance with Listing Rule 7.1, Shareholder approval is sought for the issue of the Consideration Shares and the maximum number of Earn Out Shares.

This Resolution is conditional on the passing of all Resolutions.



## (b) Effect of issue on the Company's share capital

The Company currently has on issue a total of 740,444,579 fully paid ordinary shares as at the date of this Notice of Meeting.

The CQA Share Consolidation (being a 1 for 18.5111 consolidation of CQA Shares) will be implemented after the General Meeting if all Resolutions are passed, and will result in the Company having on issue a total of 40,000,000 Shares, subject to rounding of fractional entitlements.

Following Completion of the Proposed Transaction and if the maximum number of Earn Out Shares and Public Offer Shares are issued, the Company will have a total of up to 325,361,096 Shares on issue, comprising and subject to the following:

- (i) 40,000,000 CQA Shares after implementation of the CQA Share Consolidation, subject to rounding of fractional entitlements;
- (ii) up to 25,361,096 Conversion Shares issued to Property Connect Noteholders or at their direction;
- (iii) up to 56,273,673 Consideration Shares issued to Property Connect Shareholders (not including Manson) or at their direction and up to 63,726,327 Consideration Shares issued to Manson;
- (iv) up to 40,000,000 Public Offer Shares issued to subscribers under the Public Offer;
- (v) up to 10,000,000 Promoter Shares (see Resolution 10);
- (vi) up to 37,515,782 Earn Out Shares issued to Property Connect Shareholders (other than Manson) or at their direction and up to 42,484,218 Earn Out Shares issued to Manson; and
- (vii) assuming no Shares are issued under the ESOP.

If approved, the issue of the Consideration Shares and the maximum number of Earn Out Shares would result in Property Connect Shareholders (including Manson and for avoidance of doubt, excluding the Property Connect Noteholders) obtaining a cumulative voting power in the Company of approximately 61.47% of the enlarged share capital of the Company, after taking into account all new CQA Shares to be issued under the Public Offer pursuant to the Prospectus, but excluding shares that may be issued under the ESOP.

The full names of each Property Connect Shareholder (other than Manson) together with details of their current and post-Completion and post Earn Out Shareholdings as at Completion will be as set out in the table below:

Property Connect Shareholder	Consideration Shares	Post Completion % of CQA (but excluding Earn Out Shares)	Maximum Earn Out Shares	Total Maximum Shareholding	Post Earn out % of CQA
Marlon Investments Ptd Ltd. as trustee for Marlon Investment Trust	16,525,211	6.74%	11,016,807	106,210,545	8.47%
WL Finance	16,478,323	6.72%	10,985,548	27,542,	8.44%

Pty Ltd.				018	
Rule Project Ltd.	3,885,752	1.58%	2,590,501	27,463,871	1.99%
Events Dept Pty Limited as trustee for Taylor Unit Trust	4,044,643	1.65%	2,696,428	6,476,253	2.07%
Shannon Carter	498,671	0.20%	332,448	6,741,071	0.26%
Tom Cervantez	498,671	0.20%	332,448	831,119	0.26%
Andrew Pullinger	395,590	0.16%	263,727	831,119	0.20%
Andrew Skehan	1,662,926	0.68%	1,108,617	659,317	0.85%
Andrey Zubko	1,616,317	0.66%	1,077,545	2,771,543	0.83%
Aneles Consulting	146,643	0.06%	97,762	2,693,862	0.08%
Anto Pty Limited ATF Anto Family Trust	263,723	0.11%	175,816	244,405	0.14%
Caroline Richardson as trustee for Richardson Family Trust	158,238	0.06%	105,492	439,539	0.08%
Conray Michael Passaris as trustee for Passaris Family Trust	158,238	0.06%	105,492	263,730	0.08%
Dr. Stuart Lloyd Phillips & Mrs. Fiona Jane Phillips <SL & FJ Phillips S/F A/C>	790,787	0.32%	527,191	263,730	0.41%
Emanuel Petros	395,590	0.16%	263,727	1,317,978	0.20%
Hunerbach Pty Ltd ATF McKenzie Investment Trust	263,734	0.11%	175,822	659,317	0.14%

JKilborn Investments Pty Ltd as trustee for JKilborn Investments Trust	158,217	0.06%	105,478	439,556	0.08%
Lasso Holdings	789,782	0.32%	526,521	263,696	0.40%
Maximum Media Potential Pty Ltd	3,164,743	1.29%	2,109,828	1,316,303	1.62%
Mitchell Aitken	158,238	0.06%	105,492	5,274,571	0.08%
Nicolas Derbyshire	263,723	0.11%	175,816	263,730	0.14%
Noah's Ark Investment Group Pty Ltd	791,180	0.32%	527,454	439,539	0.41%
PRW Investments Pty Ltd	791,180	0.32%	527,454	1,318,634	0.41%
Rohan Hardcastle	395,590	0.16%	263,727	1,318,634	0.20%
Shaun Hardcastle	395,590	0.16%	263,727	659,317	0.20%
Travis Coleman	1,582,371	0.64%	1,054,914	659,317	0.81%
<b>TOTAL</b>	<b>56,273,673</b>	<b>22.94%</b>	<b>37,515,782</b>	<b>93,789,455</b>	<b>28.83%</b>

(c) Change of Officers

In conjunction with the effective change of control of the Company:

- (i) Tim Manson, Samuel Lee and Peter Friend will be appointed as Directors of the Company;
- (ii) Rodd Boland and Steven Cole will stand down as Directors of the Company; and

(d) Calculation of Earn Out Amount and Earn Out Shares

Pursuant to the Acquisition Agreement, the Property Connect Shareholders will be entitled to an earn out (capped at \$4,000,000) based on the revenue of the Company during the 2017 calendar year (**Earn Out Amount**). The Earn Out Amount will be payable by the Company by issuing that number of Earn Out Shares equal to the Earn Out Amount. Each of the Earn Out Shares will be issued at an issue price of \$0.05.

The Earn Out Amount is calculated as follows:

$$\text{Earn-out Amount} = A - \$6,000,000$$

where:

A is the lesser of:

- (i) The gross revenue of Property Connect for the financial year ending 31 December 2017 as set out in the audited accounts of Property Connect for that financial year (**2017 Accounts**); and
- (ii) \$10,000,000.

The Earn Out Amount will become payable within 10 business days immediately following the date the 2017 Accounts are completed.

- (e) Conditional on re-compliance with Chapters 1 and 2 of ASX Listing Rules

No Consideration Shares will be issued under Resolution 4 until the ASX confirms that the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

- (f) Application for listing of Consideration Shares

As a condition of the Proposed Transaction, the Company will apply for quotation of all the Consideration Shares on the ASX as soon as possible after the issue of the Consideration Shares.

- (g) Approval

In accordance with Listing Rule 7.1, Shareholder approval is sought for the issue of the Consideration Shares and the maximum number of Earn Out Shares. The effect of Resolutions 4 and 5 will be to allow the Company to:

- (i) issue the Consideration Shares during the 3 month period after the General Meeting, without using the Company's 15% annual placement capacity; and
- (ii) issue the Earn Out Shares after the Company completes the 2017 Accounts (subject to ASX granting the Company a waiver of ASX Listing Rule 7.3.2) without using the Company's 15% annual placement capacity and avoiding the need to seek further Shareholder approval at the time of issue of the Earn Out Shares.

If for any reason the waiver is not granted by the ASX, the Company will not be in a position to issue the Earn Out Shares in accordance with ASX Listing Rule 7.3.2 due to the timing required by the Acquisition Agreement. In that case, the Property Connect Shareholders will have the right to terminate the Acquisition Agreement and the Proposed Transaction will not occur.

- (h) Waiver

As the Earn Out Shares (if any) will be issued after the completion of the 2017 Accounts, the issue of the Earn Out Shares will not occur within three months of the General Meeting, the Company has, in respect of the Earn Out Shares sought and obtained a waiver from the ASX of the requirement under Listing Rule 7.3.2 to issue any securities for which shareholder approval has been obtained under Listing Rule 7.1 at any time prior to completion of the 2017 Accounts.

- (i) ASX Listing Rule 7.3 requirement – Consideration Shares

In accordance with the Corporations Act and the ASX Listing Rules, the Company provides the following additional information to CQA Shareholders in relation to the issue of the Consideration Shares to the Property Connect Shareholders (other than Manson):

<b>Names of the allottees or the basis upon which allottees will be identified or selected:</b>	Please refer to Section 11.4(b) above for the names of the allottees.
<b>Maximum number of</b>	Please refer to Section 11.4(b) above for the number

<b>securities to be issued or the formula for calculating the number of securities to be issued:</b>	of Consideration Shares proposed to be issued to each Property Connect Shareholder (other than Manson).  The maximum number of Consideration Shares to be issued to all Property Connect Shareholders (other than Manson) under the Property Connect Acquisition is 56,273,673 Shares.
<b>The date by which the entity will issue the securities:</b>	The Consideration Shares will be issued on Completion (which is expected to occur on or about 19 January 2015) and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The issue price for the Consideration Shares is \$0.05 per Consideration Share.
<b>Terms of the securities:</b>	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
<b>Use (or intended use) of the funds raised:</b>	As the Consideration Shares are being issued as consideration for the Property Connect Acquisition, no cash will be raised from the issue of Consideration Shares.

(j) ASX Listing Rule 7.3 requirement – Earn Out Shares

In accordance with the Corporations Act and the ASX Listing Rules, the Company provides the following additional information to CQA Shareholders in relation to the issue of the Earn Out Shares to the Property Connect Shareholders (other than Manson):

<b>Names of the allottees or the basis upon which allottees will be identified or selected:</b>	Please refer to Section 11.4(b) above for the names of the allottees.
<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:</b>	Please refer to Section 11.4(b) above for the maximum number of Earn Out Shares proposed to be issued to each Property Connect Shareholder (other than Manson).  The maximum number of Earn Out Shares to be issued to all Property Connect Shareholders (other than Manson) under the Property Connect Acquisition is 37,515,782 Shares.
<b>The date by which the entity will issue the securities:</b>	Under ASX Listing Rule 7.3.2, the Company proposes to issue the Earn Out Shares after completion of the 2017 Accounts and in any event no later than 28 February 2018 or as such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The issue price for the Earn Out Shares is \$0.05 per Earn Out Share.
<b>Terms of the securities:</b>	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
<b>Use (or intended use) of the</b>	As the Earn Out Shares are being issued as consideration for the Property Connect Acquisition,

<b>funds raised:</b>	no cash will be raised from the issue of Earn Out Shares.
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(k) Directors' Recommendation

The Directors of CQA, having no interest in the outcome of this Resolution other than as CQA Shareholders, recommend that CQA Shareholders vote in favour of each of Resolution 4 and 5 for the following reasons:

- (i) completion of the Proposed Transaction is conditional on the issue of the Consideration Shares and approval being received for the issue of the Earn Out Shares; and
- (ii) the Proposed Transaction is in the best interests of the Company.

## 11.5 **Resolution 6: Issue of Consideration Shares and Earn Out Shares to Manson**

(a) Introduction

Resolution 6 proposes the allotment and issue to Manson (or his nominee) of up to 63,726,327 Consideration Shares and up to 42,484,218 Earn Out Shares at a deemed issue price of \$0.05 per Share, as consideration for the acquisition by the Company of all of the issued capital held by Manson in the capital of Property Connect.

The issue of the Consideration Shares and the Earn Out Shares is conditional on the passing of all other Resolutions, and on Completion. The Consideration Shares will be offered by way of the Prospectus.

This Resolution is conditional on the passing of all Resolutions.

(b) Section 611 (Item 7) of the Corporations Act

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a company if, as a result of the acquisition, that person's or someone else's voting power in the company increases from less than 20% to more than 20%, or from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined under section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person has a relevant interest in securities if they:

- (i) are the holder of the securities; or
- (ii) have power to exercise, or control the exercise of, a right to vote attached to securities; or
- (iii) have power to dispose of, or control the exercise of power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

A person is an 'associate' of another person if, amongst other things, they have entered into an agreement, arrangement or understanding for the purpose of controlling or influencing the composition of a company's board of directors or the conduct of the company's affairs.

There are various exceptions to the prohibition in s 606, including under section 611 (item 7) of the Corporations Act. Section 611 (item 7) provides an exception to the prohibition in section 606, in circumstances where the shareholders of the company approve an

acquisition of shares by virtue of an allotment or acquisition at a meeting at which no votes are cast by parties involved in the proposed acquisition, including their associates.

If Resolution 6 is passed, Completion occurs and the maximum number of Earn Out Shares are issued to Manson in his proportion entitlement, up to 63,726,327 Consideration Shares and 42,484,218 Earn Out Shares will be issued to Manson, and its relevant interest in voting power in the Company will be as set out in the table below.

<b>Manson's Shareholding in the Company at the date of this Notice</b>	nil
<b>% of total issued Shares in the Company at the Date of this Notice</b>	0.00%
<b>Shareholding after Completion but prior to issue of the Earn Out Shares<sup>1</sup></b>	63,726,327
<b>% of total issued Shares in the Company after Completion but prior to issue of the Earn Out Shares<sup>1</sup></b>	25.97%
<b>Shareholding after Completion and after issue of the Earn Out Shares<sup>1,2</sup></b>	106,210,545
<b>% of total issued Shares in the Company after Completion and after issue of the Earn Out Shares<sup>1,2</sup></b>	32.64%

1. This does not include any Shares that Manson may acquire under the ESOP or account for Shares that may be issued to him pursuant to an exercise of an ESOP Option.

2. This assumes that the maximum number of Earn Out Shares will be issued to the Property Connect Shareholders.

(c) Information required under Corporations Act

In accordance with item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74, the following information is provided in relation to the issue of the Consideration Shares to Manson:

(i) **The identity of the acquirer and its associates and any person who will have a relevant interest in the securities to be acquired by the acquirer:**

Manson will acquire both the Consideration Shares and the Earn Out Shares.

(ii) **Full particulars (including the number and percentage) of securities to which Manson is or will be entitled immediately before and after the Proposed Transaction and the maximum extent of the increase in Manson's and his associates' voting power in the Company as a result of the Property Connect Acquisition:**

This information is set out in the table in section 11.5(b) above.

(iii) **The identity, associations and qualifications of any person who it is intended will become a Director if Shareholders approve the Proposed Transaction:**

Timothy Manson, Samuel Lee and Peter Friend. See above at section 7.1 of the Explanatory Notes for further details on the qualifications of each of these proposed directors.

(iv) **A statement of Manson's intentions regarding the future of the Company if Shareholders agree to the Property Connect Acquisition:**

At the date of this Notice, the Company understands that, other than as set out in this Notice of Meeting, Manson:

- (A) does not have any current intention to change the Company's existing financial policies; and
- (B) does not intend to redeploy any fixed assets of the Company or for any property to be transferred between the Company and Manson or any of its associates or any person associated with them;

The Company has no current employees.

- (v) **particulars of the terms of the proposed issue and allotment of Shares and details of the terms and any other relevant agreement between the Company and Manson or any of its associates which is conditional upon, or directly or indirectly dependent upon, Shareholder approval to the allotment of Shares to Manson:**

Other than the Acquisition Agreement, there are no other contracts or proposed contracts between the Company and Manson or any of its associates which are conditional upon, or directly or indirectly dependent on, the Shareholders approval to the proposed allotment of the Consideration Shares and Earn Out Shares to Manson.

- (vi) **When will the allotment/issue be made?**

The Consideration Shares will be allotted/issued to Manson on Completion. The Earn Out Shares (if any) will be issued to Manson after completion of the 2017 Accounts. Subject to the Shareholders approving each of Resolutions 1 to 15, the Company anticipates that Completion will occur no later than 19 January 2016.

- (vii) **An explanation of the reasons for the proposed issue and allotment of Consideration Shares and Earn Out Shares:**

The Consideration Shares and Earn Out Shares are to be issued and allotted as consideration for the Property Connect Shares held by Manson.

- (viii) **The interest of the Directors in these Resolutions:**

None.

- (ix) **Identity of the Directors who approved or voted against the proposal to put these Resolutions to the Shareholders:**

Each of the Directors approved the proposal to put these Resolutions to the Shareholders.

- (x) **Any intention of Property Connect to change significantly the financial or dividend policies of the Company:**

The Company does not have a dividend policy. There is no immediate intention to change the financial or dividend distribution policies of the Company. Any future decision to pay dividends is a matter for the discretion of the Directors.

- (xi) **Recommendation of each Director as to whether Shareholders should approve these Resolutions**

Each of the Directors recommends Shareholders approve these Resolutions.

- (xii) **An analysis of whether the proposed allotment of the Consideration Shares and Earn Out Shares to Manson, the subject of this Resolution, is fair and reasonable to the non-associated CQA Shareholders:**



Yes, refer to Independent Expert's Report.

(d) **Shareholder approval under ASX Listing Rule 7.1 not sought**

ASX Listing Rule 7.2 (exception 16) provides that where the shareholders of the entity have approved the issuance of the securities for the purposes of item 7 of section 611 Corporations Act, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, so that the entity's 15% capacity is not reduced.

Accordingly, if these Resolutions are passed by Shareholders, the issue and allotment of Consideration Shares and the Earn Out Shares to Manson will not reduce the Company's ability to issue new Shares for other purposes (without Shareholder approval) during the following 12 month periods.

(e) **Shareholder approval under Chapter 2E of the Corporations Act not sought**

For a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (i) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (ii) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 apply.

A 'financial benefit' for the purposes of the Corporations Act also has a wide meaning and catches the issue of the Consideration Shares and the Earn Out Shares.

Manson is a related party of the Company. Consequently, the issue of the Consideration Shares and the Earn Out Shares to Manson, will for the purposes of Chapter 2E of the Corporations Act, be giving a financial benefit to a related party of the Company.

It is the view of the Directors that the giving of the financial benefit to Manson, as a related party of the Company is on reasonable arm's length terms and fall within the exception in section 210 of the Corporations Act. Accordingly, shareholder approval for the purposes of Chapter 2E of the Corporations Act is not being sought.

(f) **Restricted Securities and Escrow**

The ASX is likely to advise that any Consideration Shares issued to Manson will be escrowed for a period of 24 months, on the basis that they are 'restricted securities' within the meaning of Appendix 9B.

A restricted security is defined under the ASX Listing Rules in reference to Appendix 9B, which also sets out various categories of persons who may be issued restricted securities and the circumstances in which those securities are listed as restricted.

The holders of restricted securities are prohibited from disposing of the securities, creating a security interest over them or generally doing anything that would have the effect of transferring from the holder to another, effective ownership or control of the securities for a particular period, which in this case is 24 months.

(g) **ASX Listing Rule 10.11**

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the Company or a related party, is in the ASX's opinion, such that approval should be obtained from the shareholders of the company, unless an exception in ASX Listing Rule 10.12 applies. The Directors are of the view that the exceptions set out in ASX Listing Rule 10.12 do apply in respect of Manson as he is a related party of the Company only by

virtue of becoming a director of the Company on and from Completion (section 228(6) of the Corporations Act – see ASX Listing Rule 10.12 exception 6).

Therefore, shareholder approval for the issue of Consideration Shares and Earn Out Shares to Manson under ASX Listing Rule 10.11 is not required.

(h) **Conditional on re-compliance with Chapters 1 and 2 of ASX Listing Rules**

No Consideration Shares and no Earn Out Shares will be issued under Resolution 6 until ASX confirms that the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

Resolution 6 is subject to the passing of all other Resolutions.

(i) **Directors recommendation**

The Board recommends that CQA Shareholders vote in favour of this Resolution for the following reasons:

- (i) completion of the Proposed Transaction is conditional on the approval of the issue of the Consideration Shares and Earn Out Shares (including those issued to Manson); and
- (ii) it considers the Proposed Transaction is in the best interests of the Company.

Other than as CQA Shareholders, none of the Directors has an interest in the outcome of this Resolution.

## 11.6 Resolution 7: Issue of Public Offer Shares

(a) Introduction

Resolution 7 proposes the issue of up to 50,000,000 Shares under the Prospectus (**Public Offer Shares**), at an issue price of \$0.05 per Public Offer Share, to raise up to \$2,500,000. The money raised from the Public Offer will be used to pay for the Company's expenses of the Public Offer and the Company's and Property Connect's expenses incurred in respect of the Proposed Transaction. In addition, the funds raised will provide working capital to fund ongoing operations and future growth of the Combined Group. The issue of the Public Offer Shares is conditional on the passing of all other Resolutions, and on the simultaneous Completion on the issue date of the Public Offer Shares.

For the avoidance of doubt, the Public Offer Shares will be issued under the Public Offer pursuant to the Prospectus.

This Resolution is conditional on the passing of all Resolutions.

(b) ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out above in relation to Resolution 2. The proposed issue of Public Offer Shares contemplated under Resolution 7 will exceed this limit. The effect of CQA Shareholder approval will be that the Public Offer Shares issued will not be counted in calculating the number of securities which the Company can issue in the next 12 months under the 15% limit imposed by ASX Listing Rule 7.1.

(c) Information required under ASX Listing Rules

In accordance with ASX Listing Rules 7.3, the following information is provided in relation to the issue of the Public Offer Shares:

<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be</b>	50,000,000 fully paid ordinary Shares in the Company
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<b>issued:</b>	
<b>The date by which the entity will issue the securities:</b>	The Public Offer Shares will be issued on Completion (which is expected to occur on or about 19 January 2016) and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The issue price will be \$0.05 per Public Offer Share.
<b>Terms of the securities:</b>	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
<b>Names of the allottees or the basis upon which allottees will be identified or selected:</b>	Participants in Public Offer will be members of the public who are not related parties of the Company.
<b>Use (or intended use) of the funds raised:</b>	The intended use of the funds raised from the Public Offer are set out below in section 11.6(d).

## (d) Use of funds

Assuming that the amount of A\$2,500,000 is raised under the Public Offer, the Company proposes that such amounts are used as follows:

<b>Item</b>	<b>A\$</b>
Technology Advancement (Research and Development)	\$80,000
Technology Advancement (System Development)	\$540,000
Key Staff Hires	\$550,000
Marketing & Branding	\$60,000
Rent	\$100,000
Repayment of debt	\$500,000
Expenses of the Offer (including GST)	\$470,000
Other working Capital	\$200,000
<b>TOTAL</b>	<b>\$2,500,000</b>

The use of funds set out above represents the Company's current intentions based on the Combined Group's current plans and current business conditions. The amounts and timing of actual expenditure may vary and will depend on various factors. While the Company believes it will have sufficient funds after completion of the Proposed Transaction to meet all of its growth and capital requirements, the Company may seek to exploit future opportunities of a kind that will require it to raise additional capital from equity or debt sources.

## (e) Conditional on re-compliance with Chapters 1 and 2 of ASX Listing Rules

No Public Offer Shares will be issued under Resolution 7 until upon ASX confirms that the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

## (f) Directors' Recommendation

The Directors, who do not have an interest in this Resolution and who will not participate in the Public Offer, recommends that CQA Shareholders vote in favour of this Resolution. The reasons the Board makes this recommendation are that they consider:

- (i) the issue of Public Offer Shares will enable the Combined Group to complete the Property Connect Acquisition and assist in funding ongoing working capital requirements; and
- (ii) the Public Offer is in the best interests of the Company.

#### 11.7 **Resolution 8: Appointment of Manson as a director**

Resolution 8 seeks CQA Shareholder approval, conditional on the passing of all other Resolutions, for the appointment of Tim Manson as a Director of the Company with effect on and from Completion. Details of Tim Manson's qualifications and relevant experience are set out in Section 7.1.

For the avoidance of doubt, if Completion does not occur, Tim Manson will not be appointed as a Director of the Company.

Following Tim Manson's appointment as a Director, it is intended that he will also be appointed as the Chief Executive Officer of the Company.

This Resolution is conditional on the passing of all Resolutions.

**Directors' Recommendation:** The Board recommends that CQA Shareholders vote in favour of this Resolution. The reasons the Board makes this recommendation are that:

- (a) Tim Manson's expertise in the real estate development industry is expected to assist the Combined Group;
- (b) Completion is conditional on the appointment of Tim Manson as a Director of the Company; and
- (c) the Board considers that the Property Connect Acquisition is in the best interests of the Company.

Other than as CQA Shareholders, none of the Directors has an interest in the outcome of this Resolution.

#### 11.8 **Resolution 9: Appointment of Peter Friend as a director**

Resolution 9 seeks CQA Shareholder approval, conditional on the passing of all other Resolutions, for the appointment of Peter Friend as a Director of the Company with effect on and from Completion. Details of Peter Friend's qualifications and relevant experience are set out in Section 7.1.

For the avoidance of doubt, if Completion does not occur, Peter Friend will not be appointed as a Director of the Company.

This Resolution is conditional on the passing of all Resolutions.

**Directors' Recommendation:** The Board recommends that CQA Shareholders vote in favour of this Resolution. The reasons the Board makes this recommendation are that:

- (a) Peter Friend's extensive experience of more than 30 years in financial services and as an officer and corporate counsel of ASX-listed companies, and as a Member of the Australian Institute of Company Directors is expected to assist the Combined Group;;
- (b) Completion is conditional on the appointment of Peter Friend as a Director of the Company; and
- (c) the Board considers that the Property Connect Acquisition is in the best interests of the Company.

Other than as CQA Shareholders, none of the Directors has an interest in the outcome of this Resolution.

#### 11.9 **Resolution 10: Appointment of Samuel Lee as a director**

Resolution 10 seeks CQA Shareholder approval, conditional on the passing of all other Resolutions, for the appointment of Samuel Lee as a Director of the Company with effect on and from Completion. Details of Samuel Lee's qualifications and relevant experience are set out in Section 7.1.

For the avoidance of doubt, if Completion does not occur, Samuel Lee will not be appointed as a Director of the Company.

This Resolution is conditional on the passing of all Resolutions.

**Directors' Recommendation:** The Board recommends that CQA Shareholders vote in favour of this Resolution. The reasons the Board makes this recommendation are that:

- (a) Samuel Lee's expertise in law specific to the technology industry and technology development is expected to assist the Combined Group;
- (b) Completion is conditional on the appointment of Samuel Lee as a Director of the Company; and
- (c) the Board considers that the Property Connect Acquisition is in the best interests of the Company.

Other than as CQA Shareholders, none of the Directors has an interest in the outcome of this Resolution.

#### 11.10 **Resolution 11: Approval of issue of Promoter Shares**

- (a) Introduction

Resolution 11 proposes the issue of up to 10,000,000 Shares (**Promoter Shares**) as part of consideration for the provision of corporate services in relation to the capital raising under the Prospectus and Public Offer and associated promotional activities. At the date of this Notice of Meeting, the identities of the allottees have not been determined.

The Promoter Shares will not be issued to related parties of the Company.

This Resolution is conditional on the passing of all Resolutions.

- (b) Restricted Securities and Escrow Period

It is expected that the ASX will apply 24 month escrow provisions to the Promoter Shares, on the basis that they are 'restricted securities' within the meaning of Appendix 9B.

- (c) Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Placement Shares:

<b>Names of the allottees or the basis upon which allottees will be identified or selected:</b>	To be determined by the Directors of the Company
<b>Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:</b>	Up to 10,000,000 Shares.

<b>The date by which the entity will issue the securities:</b>	The Promoter Shares will be issued on the date of Completion (which is expected to occur on or about 19 January 2016) and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
<b>Price at which the securities will be issued:</b>	The Promoter Shares will be issued at a minimum of \$0.05 per Promoter Share.
<b>Terms of the securities:</b>	The Promoter Shares will be fully paid ordinary shares of the Company ranking equally with all other Shares of the Company.
<b>Use (or intended use) of the funds raised:</b>	No funds will be raised from the issue of the Promoter Shares.

(d) Directors' Recommendation

The Board recommends that CQA Shareholders vote in favour of this Resolution.

#### 11.11 Resolution 12: Change of Name – Special Resolution

(a) Introduction

The Company considers that it is appropriate the name of the Company reflects the changing scale and operations of the Combined Group. To this end the Company is seeking, in accordance with section 157(1)(a) of the Corporations Act, CQA Shareholder approval by way of special resolution for the name of the Company to be changed to "Property Connect Holdings Limited".

The Company also seeks approval under section 136(2) of the Corporations Act, to the Company's Constitution being updated to reflect the change of name.

This Resolution is conditional on the passing of all Resolutions.

(b) Special Resolution

In accordance with section 136(2) of the Corporations Act, the Constitution of the Company can only be amended by a special resolution passed by at least 75% of votes cast by Shareholders present and voting at a general meeting whether in person, proxy or attorney or in the case of a corporate Shareholder or proxy, by a natural person representative.

(c) Directors' Recommendation

The Directors recommend Shareholders vote in favour of this Resolution.

#### 11.12 Resolution 13 – Approval of Employee Share and Option Plan

(a) Introduction

The Company proposes to adopt an employee and officer incentive plan which will be known as the Company's "Employee Share and Option Plan" (**ESOP**).

It is contemplated that the ESOP will involve the issue of shares and/or options which are exercisable subject to certain vesting conditions (**Vesting Conditions**) being met, and upon such exercise will result in the issue or transfer of Shares to the relevant participant.

This Resolution is conditional on the passing of all Resolutions.

(b) Summary of ESOP Terms

The Board may determine, from time to time, which directors, senior management, consultants and contractors of the Company and their related bodies corporate are eligible to participate in the ESOP, and the exercise price and other terms of the issue of Shares or Options (**ESOP Securities**). Participation in the ESOP is voluntary. The ESOP Securities granted are non-transferrable, except with the prior approval of the Board.

All ESOP Securities are granted at a nil issue price unless otherwise determined by the Board and subject to the rules governing the ESOP (**Plan Rules**).

The vesting of ESOP Securities and the exercise of Options may be subject to the satisfaction of any vesting/exercise conditions imposed by the Board in such timeframes also determined by the Board. The Board may determine on the occurrence of certain events, that the ESOP Securities are vested (or in the case of Options, exercisable), regardless of whether the applicable vesting/exercise conditions have been satisfied. An example of this is if an event occurs whereby a person who previously did not have control of the Company acquires control of the Company. A person may acquire control of the Company if that person acquires 50% or more of the issued Shares in the Company.

ESOP Securities holders who hold Options are not permitted to participate in new issues of securities by the Company, as related to those ESOP Securities held, but adjustments are to be made to the number of Shares over which the Options are granted or the exercise price to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues.

A participant may retain their existing ESOP Securities, subject always to the terms and conditions of the ESOP, if the participant ceases employment or office with the Company (or a member of the Company's corporate group) in circumstances where the participant is a "Good Leaver". A participant will be a Good Leaver if they cease employment or office due to redundancy, retirement, death, permanent incapacity or any other circumstances determined by the Board.

If a participant becomes a "Bad Leaver", then all ESOP Securities held by that participant will automatically forfeit and lapse and will forfeit all entitlements, title and interest in all ESOP Securities, unless the Board determines otherwise. A participant will be a Bad Leaver if the participant commits a fraudulent or other dishonest act, or the participant ceases to be employed by or hold office with the Company (or a member of the Company's corporate group) in circumstances where they are not a Good Leaver (including where they have engaged in serious misconduct or a material breach of their employment contract).

As at the date of this Notice, nil ESOP Securities have been issued by the Company.

(c) Reason for the ESOP

The issuing of shares and options as an incentive is a recognised practice in Australia as part of the remuneration of employees (including senior executives) and consultants to the Company. Issuing performance-based securities is considered a preferable alternative to cash payments as the recipient benefits if the value of the Company increases – in which case all Shareholders also benefit.

### 11.13 Resolution 14 – Issue of ESOP Option to Manson under ESOP

(a) Introduction

Resolution 14 seeks Shareholder approval for the grant an ESOP Option to Manson (or his nominee).

The ESOP Option will vest quarterly over a period of four years. Manson must remain employed with Property Connect for at least two years (i.e. two year cliff) otherwise he will forfeit his rights to the portion of the ESOP Option vested, subject to certain exceptions.

The ESOP Option will have an exercise price equal to the market value of the Company's Shares on the date the ESOP Option is granted.

This Resolution is conditional on the passing of all Resolutions.

(b) Chapter 2E approval not required

The current Directors of CQA consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the ESOP Option because the agreement to grant the ESOP Option, reached as part of the remuneration package for Manson, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

(c) Information required by ASX Listing Rule 10.15

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.5 in relation to Resolution 14:

<b>Statement of the relationship</b>	Manson will be a director of the Company if Shareholders approve the resolutions at the Meeting.
<b>Maximum number of securities that may be acquired:</b>	The Maximum number of ESOP Options to be acquired by Manson is one ESOP Option.
<b>Price at which the securities will be acquired:</b>	The ESOP Option will be issued for nil cash consideration pursuant to the ESOP.
<b>Names of all persons who received securities under the ESOP, the number of securities received and acquisition price:</b>	As of the date of this Notice, no securities have been issued to any parties under the ESOP.
<b>Names of all persons entitled to participate in the ESOP:</b>	Each of the Directors (including the Proposed Directors) will be entitled to participate in the ESOP, being Manson, Samuel Lee, Peter Papas and Peter Friend
<b>Terms of any loan in relation to the acquisition:</b>	There are no loans in relation to the issuance of the ESOP Option to Manson.
<b>The date by which the Company will issue the securities:</b>	The ESOP Option is intended to be issued on Completion but in any event will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).

#### 11.14 Resolution 15 – Issue of ESOP Option to Samuel Lee under ESOP

(a) Introduction

Resolution 15 seeks Shareholder approval for the grant an ESOP Option to Samuel Lee (or his nominee).

The ESOP Option will vest quarterly over a period of four years. Samuel Lee must remain employed with Property Connect for at least two years (i.e. two year cliff) otherwise he will forfeit his rights to the portion of the ESOP Option vested, subject to certain exceptions.

The ESOP Option will have an exercise price equal to the market value of the Company's Shares on the date the ESOP Option is granted.

This Resolution is conditional on the passing of all Resolutions.

(b) Chapter 2E approval not required



The current Directors of CQA consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the ESOP Option because the agreement to grant the ESOP Option, reached as part of the remuneration package for Samuel Lee, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

(c) Information required by ASX Listing Rule 10.15

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.5 in relation to Resolution 15:

<b>Statement of the relationship</b>	Samuel Lee will be a director of the Company if Shareholders approve the resolutions at the Meeting.
<b>Maximum number of securities that may be acquired:</b>	The Maximum number of ESOP Options to be acquired by Samuel Lee is one ESOP Option.
<b>Price at which the securities will be acquired:</b>	The ESOP Option will be issued for nil cash consideration pursuant to the ESOP.
<b>Names of all persons who received securities under the ESOP, the number of securities received and acquisition price:</b>	As of the date of this Notice, no securities have been issued to any parties under the ESOP.
<b>Names of all persons entitled to participate in the ESOP:</b>	Each of the Directors (including the Proposed Directors) will be entitled to participate in the ESOP, being Manson, Samuel Lee, Peter Papas and Peter Friend
<b>Terms of any loan in relation to the acquisition:</b>	There are no loans in relation to the issuance of the ESOP Option to Samuel Lee.
<b>The date by which the Company will issue the securities:</b>	The ESOP Option is intended to be issued on Completion but in any event will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).

## 12 Other information

### 12.1 Directors' interest in securities

The Company's Constitution states that no share qualification is required of any Director.

The direct and indirect interests of each Director and each proposed Director in the securities of the Company are as follows (post CQA Share Consolidation):

Director/Proposed Director (including associates)	CQA Shares as at the date of this Notice of Meeting <sup>1</sup>	Options over CQA Shares as at the date of this Notice of Meeting <sup>1</sup>	CQA Shares after Completion and issue of Earn Out Shares	Options over CQA Shares after Completion and issue of Earn Out Shares
Peter Papas	5,001,539	-	5,001,539	-
Rodd Boland	-	-	-	-
Steven Cole	56,599	-	56,599	-
Timothy Manson	-	-	108,010,545	1 <sup>2</sup>
Samuel Lee	-	-	nil	1 <sup>2</sup>
Peter Friend	-	-	-	-

**The table above assumes that the maximum amount of Earn Out Shares has been issued and no Shares have been issued to Directors and the Proposed Directors under the ESOP.**

**1. These figures are provided on a post-consolidation basis.**

**2. Each of Timothy Manson and Samuel Lee have an indirect interest in 1,800,000 CQA Shares as a result of the grant of the ESOP Options under Resolutions 14 and 15 respectively.**

### 12.2 Disclaimer as to forward looking statements

In preparing this Explanatory Note, the Company has relied on documents, information and representations (including historical financial information and projected financial information) provided or made by Property Connect. Property Connect has consented to the use of those documents, information and representations for the purposes of this Notice of Meeting. In a letter to the Company, Property Connect has confirmed that CQA can rely on the information and documentation provided in relation to Property Connect and the Proposed Directors' intentions regarding the Company, for inclusion in this Notice of Meeting.

In addition to the historical information that is contained in this Explanatory Note, some of the statements appearing in this Explanatory Note may be in the nature of forward looking statements. While care has been taken to ensure the reasonableness of such statements, CQA Shareholders should be aware that such statements are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries that both CQA and Property Connect operate in as well as general economic conditions. Actual events or results may differ materially.

## 13 Glossary

In this Notice of Meeting, unless the context or subject matter otherwise requires:

<b>2017 Accounts</b>	The audited accounts of Property Connect for the financial year ending 31 December 2017.
<b>Acquisition Agreement</b>	The stock purchase agreement between the Company and the Property Connect Shareholders dated 8 October 2015.
<b>Affiliate</b>	in relation to any entity, means any other entity that: (a) is a Related Body Corporate of the first mentioned entity; or (b) Controls, is Controlled by, or is under common Control with the first mentioned entity; and in relation to any person, an entity that is Controlled by that person.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context requires.
<b>ASX Listing Rules</b>	The official Listing Rules of the ASX.
<b>Board</b>	The board of Directors.
<b>Combined Group</b>	The merged CQA and Property Connect group of companies subject to and immediately following Completion.
<b>Company or CQA</b>	Conquest Agri Limited ACN 091 320 464.
<b>Completion</b>	Completion of the Acquisition Agreement.
<b>Consideration Shares</b>	120,000,000 CQA Shares to be issued to the Property Connect Shareholders (including Manson), as partial purchase consideration for all of the issued capital in the capital of Property Connect.
<b>Conversion Shares</b>	Shares to be issued to the Property Connect Noteholders on conversion of the Property Connect Convertible Notes pursuant to Shareholder approval under Resolution 3.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth) as amended from time to time.
<b>CQA Share Consolidation</b>	A 18.5111 for 1 consolidation of CQA Shares as referred to in Resolution 1, which will be implemented subject to the passing of Resolutions 1 to 15.
<b>CQA Shareholder or Shareholder</b>	Holder of CQA Shares.
<b>CQA Shares or Shares</b>	Ordinary shares in the capital of the Company.
<b>Directors</b>	The directors of the Company.
<b>Earn Out Amount</b>	Has the meaning set out in Section 11.4(d).
<b>Earn Out Shares</b>	Up to 80,000,000 CQA Shares to be issued to the Property Connect Shareholders (including Manson), as partial purchase consideration for all of the issued capital in the capital of Property Connect.
<b>ESOP</b>	Employee Share Option Plan.
<b>ESOP Option</b>	An option to acquire 1,800,000 Shares granted under the ESOP.
<b>Explanatory Notes</b>	The explanatory notes accompanying the Notice of Meeting.
<b>General Meeting or Meeting</b>	The extraordinary general meeting of the Company to be held at the time and place specified in the Notice of Meeting.

<b>Independent Expert</b>	Hall Chadwick Corporate (NSW) Limited ACN 080 462 488.
<b>LiveOffer Platform or LiveOffer</b>	Has the meaning set out in section 2.4.
<b>Manson</b>	Timothy Manson.
<b>Notice of Meeting</b>	This document, comprising the chairman's letter, notice of meeting, Explanatory Notes and all appendices.
<b>Official Quotation</b>	Quotation on the official list of the ASX.
<b>Property Connect Shareholders</b>	The holders of the issued capital in Property Connect.
<b>Promoter Shares</b>	10,000,000 Shares to be issued various sophisticated investors as part of the consideration for the provision of corporate services in relation to the capital raising under the Prospectus and Public Offer and associated promotional activities.
<b>Property Connect</b>	Property Connect, Inc.
<b>Property Connect Acquisition</b>	The Company's proposed acquisition of all of the issued capital in the capital of Property Connect.
<b>Property Connect Convertible Notes</b>	The convertible notes on issue in Property Connect with total face value of \$600,000 and interest accrued.
<b>Property Connect Noteholders</b>	Holders of the Property Connect Convertible Notes who are unrelated parties of the Company.
<b>Property Connect Shareholders</b>	The holders of issued capital in Property Connect, whose names are set out in Section 11.3.
<b>Proposed Directors</b>	Manson, Samuel Lee and Peter Friend.
<b>Proposed Transaction</b>	Has the meaning ascribed to it in section 2.1 of the Explanatory Notes.
<b>Prospectus</b>	The prospectus proposed to be issued by CQA in relation to the Public Offer on the date of this Notice of Meeting and circulated with this Notice of Meeting.
<b>Public Offer</b>	The offer of 50,000,000 CQA Shares at \$0.05 to investors (on a post Consolidation basis) under the Prospectus.
<b>Public Offer Shares</b>	The CQA Shares offered under the Public Offer.
<b>Resolutions</b>	The resolutions to be considered by CQA Shareholders at the General Meeting, as set out in this Notice of Meeting.
<b>Share Registry</b>	Computershare Investor Services Pty Limited.
<b>US</b>	United States of America.

**Annexure A**

Independent Expert's Report

28 October 2015

The Directors  
Conquest Agri Limited  
Level 18, 50 Cavill Avenue  
SURFERS PARADISE QLD 4217

Dear Sirs,

## **Independent Expert's Report on the Proposal to acquire 100% of the Issued Share Capital of Property Connect, Inc.**

### **1. INTRODUCTION**

#### ***Background***

- 1.1 Conquest Agri Limited ("CQA" or "the Company") is an Australian public listed company. CQA has no current business activity and has been seeking suitable opportunities to provide future value to shareholders.
- 1.2 As announced to the market on 3 August 2015, CQA has entered into an agreement to acquire 100% of the issued capital of Property Connect, Inc. (a Delaware Corporation) ("Property Connect"). Property Connect operates an online rental property service through its proprietary LiveOffer™ online application that allows renters to place an offer on a property and see in real time where they are placed against other applicants. A Share Purchase Agreement ("SPA") was signed between the parties on 8 October 2015.
- 1.3 The acquisition of Property Connect by CQA and related resolutions detailed in section 2, is referred to in this report as the "Transaction". The Transaction involves the issue of shares in the Company to Property Connect Shareholders, and constitutes a significant change in the nature and scale of the Company's activities.
- 1.4 If the Transaction is approved, Property Connect Shareholders will collectively hold up to 59.24% of CQA's issued ordinary shares immediately following completion of the Transaction and proposed Public Offer. In particular, Tim Manson (a shareholder in Property Connect and a proposed director of CQA) will acquire a relevant interest in the issued voting shares of CQA in excess of 20%.

#### ***Opinion***

- 1.5 In our opinion, the Transaction is fair and reasonable to the Non-Associated Shareholders of CQA.

HALL CHADWICK  
CORPORATE (NSW) LIMITED

ACN 080 462 488

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worldwide association of  
separate and independent  
accounting and consulting  
firms

- 1.6 The ultimate decision however on whether to accept the Transaction should be based on shareholders own assessment of their circumstances.

***Purpose of Report***

- 1.7 You have requested Hall Chadwick Corporate (NSW) Limited (“HCC”) to prepare an Independent Expert’s Report to advise the shareholders of CQA, other than those associated with the proposed issue of CQA shares to Property Connect Shareholders (“Non-Associated Shareholders”), whether the proposed Transaction is fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.
- 1.8 HCC understands and has agreed that this report will be included in or accompany the notice to convene a meeting of CQA shareholders, to assist the Non-Associated Shareholders in their consideration of the proposed Transaction.

## **2. OUTLINE OF THE PROPOSED TRANSACTION**

- 2.1 The Transaction involves the Company's acquisition of 100% of the issued capital of Property Connect through the issue of shares in CQA at a deemed issue price of \$0.05 per share (on a post consolidation basis). The Purchase Price will comprise the Completion Amount totalling \$6,000,000 through the issue of 120,000,000 Completion Shares, plus a possible Earn-Out Amount of up to \$4,000,000 through the issue of 80,000,000 Earn-Out Shares based on a multiple of 2017 calendar year revenue of the Property Connect business. Details of the Earn-Out calculation are included at section 6. The maximum Earn-Out Amount is achieved if Property Connect exceeds 2017 revenue of \$3,333,334. No Earn-Out Amount is payable where 2017 revenue is less than \$2,000,000.
- 2.2 As a condition of the Transaction, CQA will also seek to undertake a capital raising of not less than \$2,500,000 by way of a public offer under a prospectus for the issue of 50,000,000 shares at \$0.05 per share ("Public Offer").
- 2.3 At the time of entering into the SPA Property Connect issued Convertible Notes ("C-Notes") to various parties with a total face value of \$600,000. The C-Notes will automatically convert into 24,000,000 CQA shares, plus an additional number of CQA shares for interest payable on the C-Note at that date (which as at 31 January 2016 will be 1,361,096 shares), at a deemed price of \$0.025 per share (on a post consolidation basis) upon CQA completing the Public Offer.
- 2.4 As a condition of the Transaction, CQA will repay the face value and accumulated interest of a convertible note currently on issue in Property Connect owing to Timothy Manson for the amount of US\$383,777 (approx. AU\$529,612) ("Manson C-Note").
- 2.5 Other interdependent resolutions relating to the Transaction to be put to shareholders include:
- The consolidation of the existing share capital of CQA to 40,000,000 CQA Shares, equating to 1 share for every circa. 18.5111 shares currently held;
  - Change to the nature and scale of the Company's activities;
  - The name of the Company to be changed to Property Connect Holdings Limited;
  - The appointment of Tim Manson, Peter Friend and Samuel Lee as Directors of the Company effective upon completion of the Transaction;
  - The issue of shares to advisors valued at \$500,000 (10,000,000 shares at \$0.05 each) as consideration inclusive of introductory and advisory services.
- 2.6 When the Transaction is approved and completed, Property Connect Shareholders will be entitled to a combined relevant interest of up to 59.24% of CQA's issued ordinary shares, increasing to 69.26% if the maximum Earn-Out Shares are issued. This includes the CQA shares to be issued on conversion of the C-Notes and accrued interest.
- 2.7 CQA's existing shareholders voting interest will decrease from 100% to 16.30%, decreasing to 12.29% if the maximum Earn-Out Shares are issued.



- 2.8 The following tables show the effect on the share capital of CQA after the Transaction and Public Offer:

Effect on Ordinary Shares	Number of Shares	Property Connect
Ordinary shares currently on issue	740,444,579	
Post Share Consolidation	40,000,000	
Shares issued to acquire Property Connect – Completion Amount	120,000,000	120,000,000
Shares issued on conversion of Property Connect C-Notes	25,361,096	25,361,096
Shares issued to Advisors	10,000,000	
Shares on issue immediately following Transaction Completion	<b>195,361,096</b>	<b>74.41%</b>
Minimum shares issued pursuant to Public Offer	50,000,000	
Ordinary shares on issue upon relisting	<b>245,361,096</b>	<b>59.24%</b>
Earn-Out Shares issued to acquire Property Connect	80,000,000	80,000,000
Ordinary shares on issue on completion of Transaction assuming full Earn-Out Amount of shares issued	<b>325,361,096</b>	<b>69.26%</b>

\* the table above excludes Shares that may be issued under a proposed Employee Share Option Plan (ESOP) and assumes that there are no securities in CQA issued between the date of this report and the date of issue of any Earn-Out Shares.

## **STRUCTURE OF REPORT**

Our report is set out under the following headings:

3	PURPOSE OF REPORT
4	OPINION
5	BASIS OF EVALUATION
6	BACKGROUND
7	OVERVIEW OF PROPERTY CONNECT
8	OVERVIEW OF CQA
9	VALUATION METHODOLOGIES
10	VALUE OF PROPERTY CONNECT
11	VALUE OF CQA
12	ADVANTAGES AND DISADVANTAGES OF THE TRANSACTION
13	CONCLUSION AS TO FAIRNESS AND REASONABLENESS

## **APPENDICES**

I	SOURCES OF INFORMATION
II	STATEMENT OF DECLARATION & QUALIFICATIONS
III	FINANCIAL SERVICES GUIDE

### **3 PURPOSE OF REPORT**

- 3.1 The purpose of this report is to advise the Non-Associated Shareholders of CQA of the fairness and reasonableness of the Transaction.
- 3.2 This report provides an opinion on whether or not the terms and conditions in relation to the transaction are fair and reasonable to the CQA shareholders whose votes are not to be disregarded in respect of the transaction (that is, the Non-Associated Shareholders).
- 3.3 The ultimate decision whether to accept the terms of the Transaction should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Transaction or matters dealt with in this report, shareholders should seek independent professional advice.
- 3.4 For the Transaction to be fair, the value of the Property Connect shares being acquired must be equal to or greater than the value of the consideration, being CQA shares. To be reasonable the shareholders must obtain an overall benefit if the transaction proceeds. In forming an opinion as to whether the Transaction is fair and reasonable, the following factors have been considered:
- the underlying value of CQA shares to be issued as consideration to Property Connect Shareholders;
  - the underlying value of Property Connect shares to be acquired by CQA;
  - the likely market price and liquidity of CQA shares if the Transaction is not implemented;
  - the likelihood of an alternative proposal that could realise better value for CQA Shareholders.
- 3.5 This report has been prepared to satisfy the requirements of the Corporations Act 2001 (Cth) ("Corporations Act") and the Australian Stock Exchange ("ASX") Listing Rules.

#### **Corporations Act Requirements**

- 3.6 If the Transaction is approved, Property Connect Shareholders will hold up to 59.24% of CQA's issued ordinary shares, increasing to 69.26% assuming the maximum Earn-Out Shares are issued, inclusive of the CQA shares to be issued on conversion of the C-Notes and accrued interest. Property Connect's major shareholder, Tim Manson, will also acquire a relevant interest in the issued voting shares of CQA in excess of 20% following completion of the Transaction.
- 3.7 Section 606(1) of the Corporations Act states that a person must not acquire an interest in issued voting shares in a listed company if that person's or any other person's voting power increases to above 20%. Section 606(1) prohibits Tim Manson from acquiring voting power above 20% in CQA under the Transaction, unless one of the exemptions set out in Section 611 of the Corporations Act applies.
- 3.8 Item 7 of Section 611 of the Corporations Act exempts an acquisition that is approved by a resolution of shareholders of CQA passed at a general meeting as per Section 611. This is the exception which is being relied upon by the CQA shareholders. At the general

meeting of CQA no votes will be allowed to be cast by those persons (or their associates) acquiring shares under the Transaction (that is, Tim Manson or any of his associates).

- 3.9 Australian Securities and Investments Commission (“ASIC”) Regulatory Guide 111 “Content of Expert Reports” requires, amongst other things, that directors of a company need to provide shareholders with an analysis of whether a proposed transaction is fair and reasonable, when considered in the context of the interests of the non-associated shareholders. Regulatory Guide 111 recommends that this analysis should include an independent expert’s report. The independent expert is required to state whether, in their opinion, the proposal is fair and reasonable having regard to the interests of non-associated shareholders and state the reasons for forming that opinion. This report provides such an opinion.

### **ASX Listing Rules**

- 3.10 ASX Listing Rule 7.1 states that without the approval of holders of ordinary shares, an entity must not issue or agree to issue more equity securities than the number calculated according to the following formula:

$$(A \times B) - C$$

Where:

A = The number of fully paid ordinary securities on issue 12 months prior to the date of agreement;

- Plus the number of fully paid ordinary securities issued 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 that become fully paid in the 12 months with approval of ordinary security holders under ASX Listing Rule 7.1,
- Less the number of fully paid ordinary securities cancelled in the 12 months.

B = 15%

C = The number of equity securities issued or agreed to be issued in the 12 months before the date of the issue or agreement to issue but under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.

- 3.11 The issue of ordinary securities under the Transaction will result in an issue of CQA ordinary securities greater than allowed under the above formula. Accordingly, under ASX Listing Rule 7.1 CQA must obtain approval from the holders of the ordinary shares.
- 3.12 The Transaction constitutes a significant change in the nature and scale of the Company’s activities. ASX Listing Rule 11.1 sets out the requirements an entity must adhere to when undergoing a change to the nature or scale of their activities. The entity must provide the ASX with information regarding the change and its effect on future potential earnings and must ensure approval is obtained from the shareholders to effect the change of activities. The Transaction is such a proposed change. ASX Listing Rule 11 does not specifically require the notice to include or be accompanied by a copy of an independent expert’s report commenting on the issue.

## 4. OPINION

- 4.1 In our opinion, the proposed Transaction to acquire the 100% of Property Connect through the issues of CQA shares is fair and reasonable to the Non-Associated Shareholders of CQA.
- 4.2 Our opinion is based solely on information available as at the date of this report.
- 4.3 The principal factors that we have considered in forming our opinion are summarised below.

### ***Fair***

- 4.4 According to RG 111, for the Transaction to be fair, the value of the Property Connect shares being acquired must be equal to or greater than the value of the consideration, being CQA shares.
- 4.4.1 Based on the analysis contained in section 10 of this report, the indicative value of 100% of Property Connect is **\$166,122**.
- 4.4.2 Based on the analysis contained in section 11 of this report, the value of the shares being issued by CQA for 100% of Property Connect is between \$0.009 and \$0.012, with a midpoint of \$0.010 on a controlling interest basis.
- 4.4.3 Our valuation of CQA shares is based on a value prior to the Transaction on a controlling interest basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction values on a control basis with the post-transaction values on a minority basis, as the existing Non-Associated Shareholders of CQA will lose control of the Company to the Property Connect Shareholders after the Transaction. This is shown in the table below:

<b>CQA Value and Opinion</b>	<b>Low</b>	<b>High</b>	<b>Midpoint</b>
<b>Control value per share</b>	<b>0.009</b>	<b>0.012</b>	<b>0.010</b>
Post Consolidation shares on issue	40,000,000	40,000,000	40,000,000
Control valuation, pre-Transaction	361,193	461,193	411,193
Valuation of Property Connect	166,122	166,122	166,122
Cash proceeds from C-Notes <sup>1</sup>	385,000	385,000	385,000
Repayment of Manson C-Note	(529,612)	(529,612)	(529,612)
Proceeds from Public Offer <sup>2</sup>	2,500,000	2,500,000	2,500,000
<b>Post-Transaction Value</b>	<b>2,882,703</b>	<b>2,982,703</b>	<b>2,932,703</b>
Post-Transaction shares on issue	245,361,096	245,361,096	245,361,096
<b>Value per share</b>	<b>0.012</b>	<b>0.012</b>	<b>0.012</b>
Minority discount <sup>refer section 9.4</sup>	10%	10%	10%
<b>Post-Transaction Valuation per share</b>	<b>0.011</b>	<b>0.011</b>	<b>0.011</b>

<sup>1</sup> Of the \$600,000 raised from the issue of C-Notes, approximately \$215,000 has been expensed by Property Connect up to the date of this report. We have therefore included only \$385,000 as additional value to CQA from the issue of the C-Notes.

<sup>2</sup> A condition precedent of the Transaction is that CQA will raise not less than \$2,500,000 by way of a Public Offer from the issue of 50,000,000 shares at \$0.05 per share, which is well above the current value of the CQA shares.

- 4.5 The above analysis does not include the issue of any Earn-Out Shares, which are subject to the achievement of the Earn-Out amount detailed at section 2.1. We have not shown the above table on a fully diluted basis as the Earn-Out Shares have revenue based hurdles that must be satisfied for them to convert into Ordinary Shares. However in the event Property Connect meets the Earn-Out requirements, the value of the Property Connect shares is likely to be greater than the valuation range included above because of the attainment of the Earn-Out requirements. The issue of the Earn-Out Shares would have a dilutory effect on shares held by Non-Associated Shareholders as detailed at sections 2.7 and 2.8.
- 4.6 In our opinion the Transaction is **fair** as the value range of the CQA shares held by Non-Associated Shareholders increases as a result of the Transaction.

### ***Reasonable***

- 4.7 ASIC Regulatory Guide 111 states that a transaction is reasonable if:
- The Transaction is fair; or
  - Despite not being fair the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.
- 4.7.1 We have concluded that the Transaction is reasonable. In forming our opinion we have considered the following relevant factors:
- Given the Company's limited capital and lack of income producing assets it will have difficulty in creating significant long-term value for shareholders in its current state. The Directors of CQA have determined that Property Connect has the potential to increase shareholder value and provide the Company with a future business direction.
  - The Directors consider that the current board and management team of Property Connect possess the experience and skills required to successfully transition the Company into its proposed new business of Property Connect.
  - The Transaction will increase the market capitalisation of the Company and should increase the liquidity of the Company's Shares, subject to the Company meeting the requirements of Chapters 1 and 2 of the ASX Listing Rules.
  - The Public Offer is a condition of the Transaction and will provide the necessary working capital to facilitate the initial development of the Property Connect business.
  - The CQA Board are of the opinion that the Transaction is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is a strategic opportunity for the Company to continue.
  - We are unaware of any alternative proposal at the date of this report that could realise better value for CQA shareholders.

Having considered that the Transaction is fair, the potential of the Property Connect assets, and the alternatives of not proceeding with the Transaction, in our opinion the Shareholders of CQA should benefit if the Transaction proceeds and therefore, in our opinion the Transaction is reasonable.

4.8 *Accordingly, in our opinion, the Transaction is fair and reasonable to the Non-Associated Shareholders of CQA.*

## **5 BASIS OF EVALUATION**

- 5.1 In our assessment of whether the Transaction is fair and reasonable to CQA Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by the ASIC, in particular, Regulatory Guide 74 “Acquisitions Approved by Members”, Regulatory Guide 111 “Content of Expert Reports” and Regulatory Guide 112 “Independence of Experts”.
- 5.2 ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the proposed Transaction is fair and reasonable. Under Regulatory Guide 111, a transaction is “fair” if the value of the asset being acquired (in this case 100% of the equity in Property Connect) is equal to or greater than the value of the consideration being offered (in this case, CQA shares). Additionally, under Regulatory Guide 111 an offer is “reasonable” if it is fair. It is possible for an offer to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the Transaction in the absence of any alternative proposals.
- 5.3 Our report has compared the likely advantages and disadvantages to non-associated shareholders if the Transaction is agreed to, with the advantages and disadvantages to those shareholders if it is not. Comparing the value of the shares to be acquired under the Transaction and the value of the consideration to be paid is only one element of this assessment.
- 5.4 We have considered whether any shareholder will obtain a level of control in CQA as a result of the proposed Transaction. In the event that a change in control arises from the proposed transaction, proportionately greater benefits to non-associated shareholders must be demonstrated. In this case Tim Manson will obtain control of CQA and this issue needs to be considered in comparing the value received by Non-Associated Shareholders in comparison to the value being paid.
- 5.5 Normal valuation practice is to determine the fair market value of an asset assuming a counter party transaction between a willing and not anxious buyer and a willing but not anxious seller, clearly at arm’s length. We have adopted this approach in determining the market value of 100% of the equity of Property Connect and CQA.
- 5.6 In evaluating the Transaction, we have considered the value of the Property Connect shares being acquired and compared this to the amount of consideration to be paid through the issue of CQA shares for this acquisition. We consider that the Transaction will be reasonable if, on balance, the Non-Associated Shareholders in CQA will be better off if the Transaction is approved. We will also consider the Non-Associated Shareholder’s interests should the Transaction not proceed.
- 5.7 In our assessment of the Transaction we have considered, in particular the following:
- The operational and financial position of Property Connect and CQA;
  - The value of Property Connect shares, under various methodologies;
  - The value of CQA shares, under various methodologies;



- Any control premium associated with the Transaction;
  - The advantages and disadvantages associated with approving the Transaction;
  - The likely value and liquidity of CQA shares in the absence of the acquisition;
  - Other qualitative and strategic issues associated with the Transaction.
- 5.8 The documents and information relied on for the purpose of this valuation are set out in Appendix I. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Transaction is fair and reasonable. However, in assignments such as this, time is limited and we do not warrant that our enquiries have identified or verified all of the matters which an audit or more extensive examination might disclose. None of these additional tasks have been undertaken.
- 5.9 We understand the accounting and other financial information provided to us has been prepared in accordance with generally accepted accounting principles.
- 5.10 An important part of the information used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.
- 5.11 HCC are not the auditors of CQA or Property Connect. We have analysed and reviewed information provided by the Directors and management of CQA and made further enquiries where appropriate.
- 5.12 This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in the report. To the extent we become aware of a material change in circumstances since the date of our report, we will issue a supplementary report at the request of CQA if so required.

## 6 BACKGROUND

- 6.1 CQA has no current business activity and its shares have been suspended from trading since 3 October 2012. Further information on CQA's business operations and financials can be found at Section 8 of this report.
- 6.2 On 3 August 2015 CQA announced the signing of a Terms Sheet to acquire Property Connect. Property Connect operates an online rental property service through its proprietary LiveOffer™ online application that allows renters to place an offer on a property and see in real time where they are placed against other applicants. Further information on Property Connect's business operations can be found at Section 7 of this report.
- 6.3 The Purchase Price being paid by CQA in the form of CQA shares will comprise of the Completion Amount and the Earn-Out Amount, as described below:

### **Completion Amount**

On completion of the Share Purchase Agreement ("Completion"), CQA shall pay to the Property Connect Sellers (in their relevant proportions) or as otherwise directed, \$6,000,000 (**Completion Amount**), which will be satisfied by the issue of CQA Shares, each CQA Share having an issue price of \$0.05.

### **Earn-Out Amount**

Within 10 business days after the 2017 audit of the Business, CQA shall pay up to \$4,000,000 to the Sellers (in their respective proportions) or as otherwise directed, being the amount "E" calculated in accordance with the formula below ("Earn-Out Amount"), which will be satisfied by the issue of CQA Shares, each CQA Share having an issue price of \$0.05:

$$E = X - \$6,000,000$$

where:

**E** = Earn-Out Amount;

**X** = lesser of \$10,000,000 or (R multiplied by 3); and

**R** = calendar year 2017 revenue of the Business.

For the avoidance of doubt if X is equal to or less than \$6,000,000, then no Earn-Out Amount will be paid.

- 6.4 The proposed acquisition of Property Connect constitutes a significant change in the nature and scale of the Company's activities of the type contemplated by Chapter 11 of the ASX Listing Rules. As a result of changing the nature of its activities, various aspects of the transaction will need to be approved by Shareholders and the requirements of Chapters 1 and 2 of the ASX Listing Rules will need to be complied with.

## **7. OVERVIEW OF PROPERTY CONNECT**

### **7.1 Business Overview**

7.1.1 Property Connect is a private company incorporated in the State of Delaware, United States of America and based in San Francisco, California. It is a software development company operating an online rental property service through its proprietary LiveOffer™, an online application that allows renters to place an offer on a property and see in real time where they are placed against other applicants. All offers are instantly matched against preferences set by property managers and ranked correspondingly. It means all parties enjoy full transparency through the rental leasing process.

- Renters get full visibility of the offer process;
- Property Managers gain greater results; and
- Owners secure shorter vacancy periods.

7.1.2 Unlike competitor products such as internet listing services and property management software, LiveOffer provides real-time revenue management data. LiveOffer aims to optimize every lease and maximize property value, whilst providing much needed transparency and visibility to renters.

7.1.3 Property Connect believe that LiveOffer achieves the following:

- Makes rental listings more competitive
- Property managers, agents and owners get the best result for their properties
- Tenants gain transparency and control to secure the property they want the most
- Reduces the possibility of undervalued tenant demand in the rental market resulting in unrealized income
- Streamlining the application process and maximizing rental income
- Fastest and most efficient way to obtain the correct tenants and optimize property value.

7.1.4 Property Connect's initial target is the U.S. multifamily apartments. This refers to single title, multi-unit, leased and professionally managed residential real estate. Multifamily is the most secure real estate sector in the U.S. and communities often feature a resort style clubhouse and pool, landscaped grounds and approximately average 250 apartments in size. Advantages of Multifamily for renters include:

- Flexible lease terms
- Maintenance free living
- Ability for renters to move during lease term between apartments and/or communities under the same management group
- Wide range of premium amenities
- Professional onsite management

7.1.5 Additional target sectors for Property Connect include:

- Student housing
- Single family homes
- Short term rentals
- Commercial property

- 7.1.6 LiveOffer also includes a revenue upgrade platform that enables partners to offer existing renters the opportunity to upgrade their living experience to Premium Apartments as they become available. By optimizing highly sort after premium inventory that would otherwise go to the first applicant, Property Connect's partners see a high-margin incremental revenue stream delivered to their businesses and strengthen their resident relationships through increased customer value. The unique core features and algorithms that make up the LiveOffer foundation ensures that each resident targeted for the opportunity and selected for an upgrade meets a host of internally prioritized goals.

## **7.2 Property Connect Business Model**

- 7.2.1 Property Connect's business model comprises the following:
- Set up fee ranging from \$99.95 to \$299.95 per community
  - Monthly fee ranging from \$99.95 to \$299.95 per community
  - 1% - 3% transaction fee per lease
- 7.2.2 Property Connect advise that a typical customer scale would comprise a property manager with 71 communities, 24,000+ apartments and 50,000+ renters.
- 7.2.3 Customer acquisitions will be driven by both traditional and new methods, including but not limited to:
- Face to Face Presentations
  - Direct Mail
  - Email Campaigns
  - Trade Associations & Shows
  - Free Rent Promotions
  - Referral Programs
  - Loyalty Programs
  - Social Media

## **7.3 Key Management**

- 7.3.1 Following is a summary of the experience and skills of the Property Connect management team, as provided by Property Connect:

**Tim Manson – Chief Executive Officer (CEO) and Founder**

- 15 years in Real Estate Design, Development & Asset Management
- Chairman of Real Estate Sector Founders Network
- Co- Founder & Managing Director Manson Property Group

**Zoltan Varadi – Chief Technology Officer (CTO)**

- CTO & Founder Applied Evolutions
- CTO In Motion Entertainment
- Development Lead Governmental Systems House

**James Windon – Advisor**

- President Brigade Media
- VP Revenue Causes

- Consultant World Trade Organization
- Lawyer Allens Arthur Robinson

**Bill Lopez – SVP Business Development**

- 23 Years in Multifamily, Student & Senior Housing
- Founded, built and sold 2 successful multifamily companies
- VP Uhlig Communications – Over 10,000 Multifamily Community Clients

**Sam Lee – Legal Advisor**

- Discovery Attorney at Google (Discovery Analytics & Production Team)
- Founder LSATZone.com
- Attorney, Atkinson Andelson

**Tom Karemacher – Advisor**

- Regional VP, Mid-Market & SMB at Salesforce.com
- APAC Director, SMB Salesforce.com
- Corporate Sales Manager Australia & New Zealand Salesforce.com

## 7.4 Financial Information

- 7.4.1 Property Connect has not earned any revenues from the business. The table below shows its results for the financial years ended 30 June 2013 (“FY2013”), 30 June 2014 (“FY2014”) and 30 June 2015 (“FY2015”) (reported in U.S dollars).

Income Statements	FY2013	FY2014	FY2015
	US\$	US\$	US\$
<b>Total income</b>	-	-	-
<b>Expenses</b>			
Rent expense	12,749	12,749	18,518
Professional fees		238,748	254,250
Depreciation & Amortisation <sup>1</sup>		47,872	52,433
Interest expense		3,334	56,529
All other expenses	125,291	71,513	143,075
<b>Total expenses</b>	<b>138,040</b>	<b>374,216</b>	<b>524,805</b>
<b>NPBT</b>	<b>(138,040)</b>	<b>(374,216)</b>	<b>(524,805)</b>

<sup>1</sup> Relates to the amortisation of capitalised software development and web design costs.

7.4.2 Detailed below is the unaudited balance sheet of Property Connect as at 30 June 2015:

<b>Balance Sheet as at 30 June 2015</b>	
	<b>US\$</b>
<u><b>CURRENT ASSETS</b></u>	
Cash and cash equivalents	64
	<b>64</b>
<u><b>NON-CURRENT ASSETS</b></u>	
Security deposit	3,076
Intangible assets	244,865
	<b>247,941</b>
<b>TOTAL ASSETS</b>	<b>248,005</b>
<u><b>CURRENT LIABILITIES</b></u>	
Trade payables and accruals	120,091
	<b>120,091</b>
<u><b>NON-CURRENT LIABILITIES</b></u>	
Convertible Notes (C-Notes)	575,235
Loans - related parties	342,191
	<b>917,426</b>
<b>TOTAL LIABILITIES</b>	<b>1,037,517</b>
<b>NET ASSETS</b>	<b>(789,512)</b>
<u><b>EQUITY</b></u>	
Issued capital	467,697
Accumulated losses	(1,257,209)
<b>TOTAL EQUITY</b>	<b>(789,512)</b>

7.4.3 Property Connect is being acquired on a debt free basis. Excluding the C-Notes and loans, which will either be converted to CQA shares as part of the Transaction or repaid from the proceeds of the Public Offer, increases net assets of Property Connect as at 30 June 2015 to **US\$127,914**. At the 30 June 2015 spot exchange rate of AU\$1:US\$0.77 this equates to a net asset value of **AU\$166,122**. C-Notes to be repaid in cash have been deducted from the post-Transaction value of CQA shares at section 4.4.

7.4.4 The additional C-Notes issued at the time of entering into the SPA have a total face value of \$600,000. These additional proceeds have been added to the post-Transaction value of CQA at section 4.4, to the extent they have not already been applied to operating costs of Property Connect. The C-Notes will automatically convert into 24,000,000 CQA shares at a deemed price of \$0.025 per share (on a post consolidation basis) upon CQA completing the Public Offer.

## 8. OVERVIEW OF CQA

### 8.1 Corporate Overview

- 8.1.1 CQA was officially listed on the ASX in February 2000 and previously was a provider of rural services. CQA has no current business activities. Its shares have been suspended from trading since October 2012.
- 8.1.2 On 5 December 2014 CQA appointed a Voluntary Administrator and a Deed of Company Arrangement (“DOCA”) was approved by creditors and the CQA shareholders on 12 February 2015.

### 8.2 Financial Information

- 8.2.1 CQA has not operated any business for a number of years now. CQA has earned nominal passive income and incurred expenses associated with the administration of the company. For the financial years ended 30 September 2013 and 30 September 2014 CQA incurred net losses before tax of \$352,258 and \$928,239 respectively. Management accounts for the 9 months to 30 June 2015 have been prepared by CQA which show a net loss before tax of \$377,333.
- 8.2.2 Set out below is the unaudited Consolidated Balance Sheet of CQA as at 30 June 2015.

<b>CONSOLIDATED BALANCE SHEET</b>	
	<b>As at 30 June 2015</b>
<u>CURRENT ASSETS</u>	
Cash and cash equivalents	13,742
Other current assets	16,847
	<u>30,589</u>
<b>TOTAL ASSETS</b>	<b>30,589</b>
<u>CURRENT LIABILITIES</u>	
Trade and other payables	67,143
Other current liabilities	2,253
	<u>69,396</u>
<b>TOTAL LIABILITIES</b>	<b>69,396</b>
<b>NET ASSETS</b>	<b>(38,807)</b>
<u>EQUITY</u>	
Issued capital	9,704,717
Transaction costs	(643,568)
Reserves – options	297,642
Accumulated losses	<u>(9,397,598)</u>
<b>TOTAL EQUITY</b>	<b>(38,807)</b>

## 9 VALUATION METHODOLOGIES

### 9.1 Selection of Methodology

- 9.1.1 In order to assess the fairness of the Transaction a value needs to be attributed to CQA shares and Property Connect shares.
- 9.1.2 In assessing the value of CQA and Property Connect we have considered a range of valuation methods. ASIC Regulatory Guide 111 *Content of Expert Reports* states that in valuing a company the expert should consider the following commonly used valuation methodologies:
- Market Value of Shares: the quoted price for listed securities in a liquid and active market;
  - Realisation of Assets: the amount that would be available for distribution to security holders on an orderly realisation of assets;
  - Capitalisation of Future Maintainable Earnings: the value of trading operations based on the capitalisation of future maintainable earnings;
  - Discounted Cash Flow: the net present value of future cash flows;
  - Comparable Market Transactions: the identification of comparable sale transactions.

We consider each of these valuation methodologies below.

#### 9.1.3 *Market Value of Shares as Quoted on the ASX*

This method involves the valuation of an entity based on its actively traded equities, which represent the market capitalisation of the share capital of the entity, in a liquid and knowledgeable market.

Any assessment of the market value of the quoted equities needs to consider the following:

- The liquidity of the quoted equity based on the volume and frequency of trading;
- The number of ‘unusual’ and/or ‘abnormal’ trades that occur; and
- The timing and level of dissemination of information to the market.

If a quoted ordinary equity is traded in an active, liquid and knowledgeable market, then the market price of the quoted ordinary equity should represent the ‘fair’ market value of the quoted ordinary equity.

A premium may also need to be applied to the value of the quoted ordinary equity to determine the value of the equity holding in the circumstances where a party is acquiring or increasing a controlling equity position.

This method is not appropriate for CQA or Property Connect as neither of their shares is currently publicly traded.

#### 9.1.4 *Realisation of Assets*

The net assets or cost based approach to value is based on the assumption that the value of all assets (tangible and intangible) less the value of all liabilities should equal the value



of the entity. The net asset value is determined by marking every asset and liability on and off the company's balance sheet to current market values.

This approach is generally not appropriate where assets are employed productively and are earning more than the cost of capital. It is often used as a cross check to assess the relative riskiness of the business.

As CQA has no income producing assets, the notional realisation of assets has been adopted to assess the value of CQA shares, inclusive of a control premium for the value of its public listing.

Although Property Connect is a revenue based business, it has not yet commenced earning any revenues from its business, therefore the realisation of net assets approach has been adopted as the only suitable valuation method for valuing Property Connect shares.

#### *9.1.5 Capitalisation of Future Maintainable Earnings*

Under the earnings based valuation method, the value of the business is determined by capitalising the estimated future maintainable earnings of the business at an appropriate capitalisation rate or multiple of earnings. The multiple is a coefficient, representing the risk that the business may not achieve forecast earnings. This method is appropriate in valuing a business when there is a history of earnings, the business is established and it is assumed the earnings are sufficiently stable to be indicative of ongoing earnings potential.

This method is not considered appropriate for the valuation of CQA as:

- CQA does not have any recent historical earnings on which to base a valuation;
- The company has previously been involved in services which do not relate to the proposed business activity.

This method is not considered appropriate for the valuation of Property Connect as it does not yet have a history of earnings on which to base a valuation.

#### *9.1.6 Discounted Cash Flow – Net Present Value*

Discounted cash flow valuations involve calculating the value of a business on the basis of the net cash flows that will be earned from the business over its life. The cash flows are discounted to reflect the risk involved with achieving the forecast cash flows.

Management of Property Connect are unable to forecast future cash flows from its assets with sufficient confidence and verification without the use of an industry expert.

Neither Property Connect nor CQA have prepared forecast cash flows, therefore a value cannot be placed on CQA or Property Connect using the discounted cash flow method.

#### *9.1.7 Comparable Market Transactions*

This methodology involves the identification of comparable sale or equity raising transactions for similar businesses to that being valued.

We have determined that this method is not considered appropriate for valuing CQA or Property Connect due to the following:

- i. Lack of historical or current results as a basis for applying a comparable multiple of revenues or earnings;
- ii. Lack of share transactions in either company on which to apply a comparable transactions approach.

#### 9.1.8 *Financial information relied upon in applying selected valuation methods*

We have reviewed financial information for CQA and Property Connect to the extent available. Ultimately, the management of the respective companies are responsible for the preparation and presentation of the financial information provided. The purpose of our review is to establish that the financial information used is not materially misstated. This review does not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

## 9.2 **Premium for Control**

- 9.2.1 When considering transactions involving a substantial equity holding of a company, it is appropriate to address whether a premium for control should attach to the Transaction. A premium for control is the difference between the price for each share that a buyer would be prepared to pay to obtain a controlling interest in a company and the price per share that would be required to purchase a share that does not carry with it a controlling interest. In most cases, the value of a controlling interest in the shares in a company significantly exceeds the listed market value of the shares. This reflects the fact that:
- a) the owner of a controlling interest in the shares in a company obtains access to all free cash flows of the company being acquired, which it would otherwise be unable to do as a minority shareholder;
  - b) the controlling shareholder can direct the disposal of surplus assets and the redeployment of the proceeds;
  - c) the controlling shareholder can control the appointment of directors, management policy and the strategic direction of the company;
  - d) the entity taking over the company is often able to increase the value of the entity being acquired through synergies and/or rationalisation savings.
- 9.2.2 Empirical evidence indicates that the average premium for control (over and above the market price of the company's shares) in successful takeovers in Australia generally range between 20% and 35% above the listed market price of the target company's shares three months prior to the announcement of the bid (assuming no speculation of the takeover is reflected in the pre-bid price). However, the appropriate premium for control depends on the specific circumstances and, in particular, the level of synergy benefits able to be extracted by potential acquirers and the degree of confidence about the level and achievability of potential synergies and their timing.
- 9.2.3 Caution must be exercised in assessing the value of a company or business based on the market rating of comparable companies or businesses. The premium for control is an outcome of the valuation process, not a determinant of value. Premiums are paid for

reasons that vary from case to case and may be substantial due to synergy or other benefits available to the acquirer. In other situations premiums may be minimal or even zero. It is inappropriate to apply a premium of 20-35% without having regard to the circumstances of each case. In some situations there is no premium. There are transactions where no corporate buyer is prepared to pay a price in excess of the prices paid by institutional investors through a capital raising.

- 9.2.4 A shareholder or group of associated shareholders are deemed to influence a company when they have control of more than 20% of the issued shares in a company. At this time a premium for control should normally be considered.
- 9.2.5 A premium for control is relevant to the Transaction, as it will result in Property Connect Shareholders being entitled to a voting interest of up to 69.26% of CQA's issued ordinary shares.
- 9.2.6 Our experience suggests the value of a listed company is between \$400,000 and \$800,000 depending on the subsequent regulatory requirements, including necessary compliance with ASX listing requirements. Taking into account the current situation of CQA and its suspended status, we have included a premium for control in valuing the Company's listing when applying the net realisation of assets method, as a proxy for the value of a public listed shell company.

### **9.3 Minority Interest Discount**

- 9.3.1 The value of a minority shareholding is subject to a discount factor as the minority shareholder is not in a position to direct, and often not in a position to influence, the distribution of dividends, the investment of retained profits or the strategy or tactics of the company's operations.
- 9.3.2 The Transaction will result in the dilution of current Non-Associated Shareholders' ownership percentages from 100% to 16.30%, decreasing to 12.29% assuming the maximum Earn-Out Shares are issued. We have discounted the post-Transaction value per share on a control basis by 10% to arrive at a post-Transaction value on a minority basis. We believe this discount is reasonable after considering the following factors:
  - a) CQA will have no other business activity immediately prior to completion of the Transaction. There are no profitable operations in which Non-Associated shareholders are losing control of;
  - b) The assessment of advantages and disadvantages associated with CQA entering into the Transaction detailed at section 12.

## **10 VALUE OF PROPERTY CONNECT**

### **10.1 General**

10.1.1 This section sets out our assessment of the underlying value of Property Connect.

10.1.2 We have selected the realisation of assets as the valuation methodology for Property Connect as detailed in section 9.

10.1.3 We are of the opinion that a secondary valuation methodology for Property Connect is not required as none of the alternate methodologies are appropriate due to the fact that the assets held by Property Connect are not currently contributing to earnings.

### **10.2 Realisation of Assets**

10.2.1 Property Connect has not yet earned any revenue or profits from its business. Therefore the realisation of assets is an appropriate valuation method for Property Connect.

10.2.2 Property Connect assets and liabilities comprise predominantly capitalised costs associated with its software development and payables, with a net asset position as at 30 June 2015 of US\$127,914 (AU\$166,122) after adjusting for related party loans and C-Notes which will either be converted to CQA shares as part of the Transaction or repaid from the proceeds of the Public Offer, as detailed at section 7.4.

### **10.3 Resultant Valuation of Property Connect**

10.3.1 Based on the realisation of net assets valuation method detailed above, we have determined that the value of Property Connect is **AU\$166,122** as at the date of this report.

## 11 VALUE OF CQA

### 11.1 General

11.1.1 This section sets out our assessment of the underlying value of CQA shares.

11.1.2 We have selected the realisation of net assets as the valuation methodology for CQA as detailed in section 9. As the company has no current business operations and its shares are suspended from trading there is no secondary valuation methodology available.

### 11.2 Realisation of Assets

11.2.1 CQA has no current business activity. The notional realisation of assets is therefore an appropriate valuation method for CQA.

11.2.2 As at 30 June 2015 the Company's net assets totalled negative \$38,807, as shown in the balance sheet at section 8.2.2.

11.2.3 Our experience suggests the value of a listed company is between \$400,000 and \$800,000 depending on the subsequent regulatory requirements, including necessary compliance with ASX listing requirements. Taking into account the current situation of CQA we have allocated a value range for the listed company shell of \$400,000 - \$500,000, which also encompasses a premium for control. The Company's shares are currently suspended which reduces the valuation for the listed company shell. The net asset value of CQA on a controlling interest basis is as follows:

	<b>Low</b>	<b>High</b>
Net assets	(38,807)	(38,807)
Value of listing	<u>400,000</u>	<u>500,000</u>
<b>Net realisable value</b>	<b>361,193</b>	<b>461,193</b>

11.2.4 CQA has 40,000,000 ordinary shares on issue on a post-consolidation basis, which equates to a net asset value per share of between \$0.009 and \$0.012, with a midpoint of \$0.010 on a controlling interest basis.

## **12 ADVANTAGES & DISADVANTAGES OF THE TRANSACTION**

### **12.1 Approach to assessing Fairness and Reasonableness**

HCC has followed the guidelines of ASIC Regulatory Guide 111 in assessing the fairness and reasonableness of the Transaction. In forming its conclusions in this report, HCC compared the advantages and disadvantages for Non-Associated Shareholders if the Transaction proceeds.

### **12.2 Advantages of the Transaction**

- 12.2.1 Given the Company's limited capital and lack of income producing assets it will have difficulty in creating significant long-term value for shareholders in its current state. The Directors of CQA have determined that Property Connect has the potential to increase CQA shareholder value and provide the Company with a future business direction.
- 12.2.2 The Directors consider that the current board and management team of Property Connect possess the experience and skills required to successfully transition the Company into its proposed new business of Property Connect.
- 12.2.3 The Transaction will increase the market capitalisation of the Company and should increase the liquidity of the Company's Shares, subject to the Company meeting the requirements of Chapters 1 and 2 of the ASX Listing Rules.
- 12.2.4 The Public Offer to raise not less than \$2,500,000 at \$0.05 per share is a condition of the Transaction and will provide the necessary working capital to facilitate the initial development of the Property Connect business.
- 12.2.5 The CQA Board are of the opinion that the Transaction is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is a strategic opportunity for the Company to continue.

### **12.3 Disadvantages of the Transaction**

- 12.3.1 There may be other opportunities CQA will not be able to undertake to increase the value of its listing if it accepts this Transaction due to the controlling interest being obtained by Property Connect Shareholders.
- 12.3.2 The Company will be changing its activities to those of Property Connect, which may not be consistent with the objectives and risk profile of existing Shareholders.
- 12.3.3 As a result of the Transaction CQA's existing shareholders voting interest will decrease from 100% to 16.30%, or 12.29% assuming the maximum Earn-Out Amount shares are issued.

## 13 CONCLUSION AS TO FAIRNESS AND REASONABLENESS

### 13.1 Fairness

- 13.1.1 According to RG 111, for the Transaction to be fair, the value of the Property Connect shares being acquired must be equal to or greater than the value of the consideration, being CQA shares.
- 13.1.2 Based on the analysis contained in section 10 of this report, the indicative value of 100% of Property Connect is **\$166,122**.
- 13.1.3 Based on the analysis contained in section 11 of this report, the value of the shares being issued by CQA for 100% of Property Connect is between \$0.009 and \$0.012, with a midpoint of \$0.010 on a controlling interest basis.
- 13.1.4 Our valuation of CQA shares is based on a value prior to the Transaction on a controlling interest basis. In order to assess whether the Transaction is fair, we need to compare the pre-transaction values on a control basis with the post-transaction values on a minority basis, as the existing Non-Associated Shareholders of CQA will lose control of the Company to the Property Connect Shareholders after the Transaction. This is shown in the table below:

<b>CQA Value and Opinion</b>	<b>Low</b>	<b>High</b>	<b>Midpoint</b>
<b>Control value per share</b>	<b>0.009</b>	<b>0.012</b>	<b>0.010</b>
Post Consolidation shares on issue	40,000,000	40,000,000	40,000,000
Control valuation, pre-Transaction	361,193	461,193	411,193
Valuation of Property Connect	166,122	166,122	166,122
Cash proceeds from C-Notes <sup>1</sup>	385,000	385,000	385,000
Repayment of Manson C-Note	(529,612)	(529,612)	(529,612)
Proceeds from Public Offer <sup>2</sup>	2,500,000	2,500,000	2,500,000
<b>Post-Transaction Value</b>	<b>2,882,703</b>	<b>2,982,703</b>	<b>2,932,703</b>
Post-Transaction shares on issue	245,361,096	245,361,096	245,361,096
<b>Value per share</b>	<b>0.012</b>	<b>0.012</b>	<b>0.012</b>
Minority discount <sup>refer section 9.4</sup>	10%	10%	10%
<b>Post-Transaction Valuation per share</b>	<b>0.011</b>	<b>0.011</b>	<b>0.011</b>

<sup>1</sup> Of the \$600,000 raised from the issue of C-Notes, approximately \$215,000 has been expensed by Property Connect up to the date of this report. We have therefore included only \$385,000 as additional value to CQA from the issue of the C-Notes.

<sup>2</sup> A condition precedent of the Transaction is that CQA will raise not less than \$2,500,000 by way of a Public Offer from the issue of 50,000,000 shares at \$0.05 per share, which is well above the current value of the CQA shares.

- 13.1.5 The above analysis does not include the issue of any Earn-Out Shares, which are subject to the achievement of the Earn-Out amount detailed at section 2.1. We have not shown the above table on a fully diluted basis as the Earn-Out Shares have revenue based hurdles that must be satisfied for them to convert into Ordinary Shares. However in the event Property Connect meets the Earn-Out requirements, the value of the Property

Connect shares is likely to be greater than the valuation range included above because of the attainment of the Earn-Out requirements. The issue of the Earn-Out Shares would have a dilutory effect on shares held by Non-Associated Shareholders as detailed at sections 2.7 and 2.8.

- 13.1.6 In our opinion the Transaction is **fair** as the value range of the CQA shares held by Non-Associated Shareholders increases as a result of the Transaction.

## 13.2 Reasonableness

ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- The Transaction is fair; or
- Despite not being fair the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.

We have concluded that the Transaction is fair and therefore also reasonable. In forming our opinion we have also considered the following relevant factors.

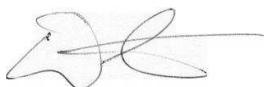
- Given the Company's limited capital and lack of income producing assets it will have difficulty in creating significant long-term value for shareholders in its current state. The Directors of CQA have determined that Property Connect has the potential to increase CQA shareholder value and provide the Company with a future business direction.
- The Directors consider that the current board and management team of Property Connect possess the experience and skills required to successfully transition the Company into its proposed new business of Property Connect.
- The Transaction will increase the market capitalisation of the Company and should increase the liquidity of the Company's Shares, subject to the Company meeting the requirements of Chapters 1 and 2 of the ASX Listing Rules.
- The Public Offer to raise not less than \$2,500,000 at \$0.05 per share is a condition of the Transaction and will provide the necessary working capital to facilitate the initial development of the Property Connect business.
- The CQA Board are of the opinion that the Transaction is in the best interests of the Company's Shareholders and in the absence of a superior alternative proposal is a strategic opportunity for the Company to continue.
- We are unaware of any alternative proposal at the date of this report that could realise better value for CQA shareholders.

Having considered that the Transaction is fair, the potential of the Property Connect business and the alternatives of not proceeding with the Transaction, in our opinion the Non-Associated Shareholders of CQA should benefit if the Transaction proceeds and therefore, in our opinion the Transaction is reasonable.

Yours faithfully  
Hall Chadwick Corporate (NSW) Limited



DAVID KENNEY



DREW TOWNSEND



## **APPENDIX I - SOURCES OF INFORMATION**

- Conquest Agri Limited financial statements for the years ended 30 September 2013 and 30 September 2014, and management accounts to 30 June 2015;
- Property Connect Inc. financial statements for the years ended 30 June 2013 and 30 June 2014, and management accounts to 30 June 2015;
- Conquest Agri Limited Notice of General Meeting and Explanatory Memorandum;
- Terms Sheet and Share Purchase Agreement between CQA and Property Connect;
- Share Purchase Agreement between CQA and Property Connect;
- CQA registry details;
- Publicly available information on CQA, Property Connect and comparable companies, including media releases, ASX announcements and websites;
- ASIC Regulatory Guide 74 ‘Acquisitions Approved by Members’;
- ASIC Regulatory Guide 111 ‘Content of Expert Reports’;
- ASIC Regulatory Guide 112 ‘Independence of Expert’s Reports’;
- APES 225 ‘Valuation Services’.

## **APPENDIX II - STATEMENT OF DECLARATION & QUALIFICATIONS**

### **Confirmation of Independence**

Prior to accepting this engagement HCC determined its independence with respect to CQA and Property Connect with reference to ASIC Regulatory Guide 112 (RG 112) titled “Independence of Expert’s Reports”. HCC considers that it meets the requirements of RG 112 and that it is independent of CQA and Property Connect.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with CQA, its related parties or associates that would compromise our impartiality.

Mr Drew Townsend and Mr David Kenney, directors of Hall Chadwick Corporate (NSW) Limited, have prepared this report. Neither they nor any related entities of Hall Chadwick Corporate (NSW) Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (NSW) Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

HCC provided a draft copy of this report to the Directors and management of CQA for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of HCC alone. Changes made to this report, as a result of the review by the Directors and management of CQA have not changed the methodology or conclusions reached by HCC.

### **Reliance on Information**

The statements and opinions given in this report are in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report HCC has relied upon information provided on the basis it was reliable and accurate. HCC has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. HCC evaluated the information provided to it by CQA and Property Connect as well as other parties, through enquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base its report. Accordingly, we have taken no further steps to verify the accuracy, completeness or fairness of the data provided.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). HCC does not imply and it should not be construed that it has audited or in anyway verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix I of this report.

CQA has provided an indemnity to HCC for any claims arising out of any mis-statement or omission in any material or information provided by CQA to HCC in preparation of this report.

## **Qualifications**

Hall Chadwick Corporate (NSW) Limited ("HCC") carries on business at Level 40, 2 Park Street, Sydney NSW 2000. HCC holds Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC's representatives are therefore qualified to provide this report.

## **Consent and Disclaimers**

The preparation of this report has been undertaken at the request of the Directors of CQA. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to CQA shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of HCC's opinion as to whether or not the proposed Transaction is fair and reasonable.

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to CQA shareholders.

Shareholders should read all documents issued by CQA that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these additional documents, with the exception of our report.

This report has been prepared specifically for the Non-associated shareholders of CQA. Neither HCC, nor any member or employee thereof undertakes responsibility to any person, other than a Non-associated shareholder of CQA, in respect of this report, including any errors or omissions howsoever caused. This report is "General Advice" and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS).

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for HCC to update this report for information that may become available subsequent to this date.

## **APPENDIX III - FINANCIAL SERVICES GUIDE**

Dated 28 October 2015

### **What is a Financial Services Guide (FSG)?**

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 (HCC).

This FSG includes information about:

- HCC and how they can be contacted
- the services HCC is authorised to provide
- how HCC are paid
- any relevant associations or relationships of HCC
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Independent Expert's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

### **Financial services that HCC is authorised to provide**

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

### **HCC's responsibility to you**

HCC has been engaged by the independent directors of Conquest Agri Limited ("CQA" or the "Client") to provide general financial product advice in the form of a Report to be included in the Notice of Meeting (Document) prepared by CQA in relation to the proposed transaction to acquire all of the issued shares in Property Connect, Inc. ("Property Connect") (the "Transaction").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Document. HCC nor the employees of HCC are acting for any person other than the Client.

HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

**General Advice**

As HCC has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Transaction.

**Fees HCC may receive**

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay HCC \$25,000 (excluding GST and out of pocket expenses) for preparing the Report. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive a salary, partnership and trust distributions and dividends from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership). Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

**Referrals**

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

**Associations and relationships**

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend and Mr David Kenney, directors of HCC and partners in the Hall Chadwick Sydney Partnership, have prepared this report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities (HC entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

Over the past two years no professional fees have been received from the Client.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of the Client or has any other material financial interests in the Transaction.

**Complaints resolution**

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:  
The Complaints Officer  
Hall Chadwick Corporate (NSW) Limited  
GPO Box 3555  
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Drew Townsend, on 02 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

**External complaints resolution process**

If HCC cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website [www.fos.org.au](http://www.fos.org.au) or by contacting them directly at:

Financial Ombudsman Service Limited  
GPO Box 3, Melbourne Victoria 3001  
Telephone: 1300 78 08 06  
Facsimile (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au)

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

**Compensation arrangements**

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

**Contact Details**

You may contact HCC at:  
Hall Chadwick Corporate (NSW) Limited  
GPO Box 3555  
Sydney NSW 2001  
Telephone: 02 9263 2600  
Facsimile: 02 9263 2800

# Conquest Agri Ltd

ACN 091320464

## Lodge your vote:



### 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](http://www.intermediaryonline.com)

## For all enquiries call:

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

000001 000 CQA  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

XX

For your vote to be effective it must be received by 10:00 am on Monday 14 December 2015

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### 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 registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

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.

**Turn over to complete the form** ➔



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

**[www.investorcentre.com.au](http://www.investorcentre.com.au)**

- ☒ Access the annual report
- ☒ Review your securityholding
- ☒ Update your securityholding

#### Your secure access information is:

SRN/HIN: I9999999999



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

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

# Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Conquest Agri Ltd hereby appoint

☐ the Chairman of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Conquest Agri Ltd to be held at Level 25, 1 O'Connell Street, Sydney, NSW 2000 on Wednesday, 16 December at 10:00am (Sydney time) and at any adjournment or postponement of that meeting.

STEP 2

Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
1	Consolidation of CQA Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Approval of issue of Promoter Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Acquisition of Property Connect, Inc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	Change of Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Issue of Conversion Shares to Property Connect Noteholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	Approval of Employee Share and Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Issue of Consideration Shares to Property Connect Shareholders (other than Manson)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14	Issue of ESOP Option to Manson under ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Issue of Earn Out Shares to Property Connect Shareholders (other than Manson)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	Issue of ESOP Option to Samuel Lee under ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Issue of Consideration Shares and Earn Out Shares to Manson and increase in relevant interest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
7	Issue of Public Offer Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
8	Appointment of Tim Manson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
9	Appointment of Peter Friend as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
10	Appointment of Samuel Lee as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/

/