



## DELISTING AND BUY BACK – FREQUENTLY ASKED QUESTIONS

Delisting		
1.	<b>What is Delisting?</b>	<p>Delisting is the process by which Updater Inc's (<b>Updater</b> or the <b>Company</b>) CDIs will be removed from the official list of ASX (<b>Delisting</b>).</p> <p>This means that if you hold CDIs in Updater after its delisting you will no longer be able to trade them on ASX.</p>
2.	<b>Will this affect Updater's shares of common stock?</b>	<p>No. Updater's shares of common stock (<b>Shares</b>) will continue to exist in their current form.</p>
3.	<b>Why is Updater delisting from the ASX?</b>	<p>Updater's market position has resulted in significant interest from major international (non-Australian) financial investors and strategic parties that have expressed strong interest in purchasing stock directly from Updater as a private company not listed on ASX. Therefore, delisting is a logical next step towards achieving the Company's vision. It is the Board's view that it is in the best interests of all Updater Security holders that the Company delist from the ASX at this time and begin the path towards the US financial markets.</p> <p>Further details of the reasons for the Delisting and plans for the Company following Delisting, are set out in the accompanying Buy-Back Booklet and in the Notice of Meeting and Proxy Statement that was released on the ASX announcement platform on 21 August 2018.</p>
4.	<b>Is Delisting subject to Shareholder approval</b>	<p>The Delisting is subject to Shareholder approval. Accordingly, the Board has determined to request Shareholder approval for the Delisting and the associated Buy-Back at a special meeting of the Company to be held on 8:00pm on 6 September 2018 (UESDT) / 10:00am on 7 September 2018.</p>
5.	<b>What happens if Shareholder approval of the Delisting is not obtained?</b>	<p>The resolutions for approval of the Delisting and the Buy-Back are inter-conditional. This means that if either the resolution for approval of the Delisting or the Buy-Back are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed and unless a subsequent proposed delisting is approved by Shareholders or ASX determines that the Company's Securities should no longer be listed, the Company will continue to be listed on the ASX and you will be able to trade your CDIs as previously.</p>
6.	<b>How long can I still trade my CDIs?</b>	<p>You may trade your CDIs on ASX until trading is suspended which, provided Shareholder approval of both the Delisting and Buy-Back are obtained, is expected to be at the close of trading on 8 October 2018.</p>
7.	<b>When will Updater be delisted?</b>	<p>Updater will be officially delisted from ASX on 10 October 2018 provided Shareholder approval of both the Delisting and the Buy-Back are obtained but the last day for trading CDIs on ASX will be 8 October 2018.</p>
8.	<b>Will Updater's Shares continue to trade after Delisting from</b>	<p>No. After Delisting, all remaining CDIs will be compulsorily converted to Shares on 23 October 2018 and Shares will only be capable of sale by private off-market transaction with a willing third</p>

	<b>ASX?</b>	party purchaser in accordance with the Company's Bylaws and Certificate of Incorporation. Such a third party market may not be liquid and Shareholders will be personally responsible for sourcing potential purchasers of their Shares.
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## Buy-Back

9.	<b>What is the Buy-Back?</b>	<p>In proposing the Delisting, the Board recognises that it would be preferable to provide an opportunity for Security holders to sell some of their investment (or for Security holders holding smaller parcels, all of their investment) prior to the Delisting.</p> <p>Accordingly, the Company is offering to buy-back 10,000 CDIs (400 Shares) per Eligible Security holder at the Buy-Back Price, up to an aggregate cap of A\$10,000,000 worth of Securities in conjunction with the Delisting.</p> <p>Further details of the Buy-Back including how to accept the offer to buy-back Securities are set out in the accompanying Buy-Back Booklet.</p>
10.	<b>What is the Buy-Back Price?</b>	<p>The Buy-Back Price will be the higher of (a) A\$1.25 per CDI (equivalent to approximately A\$31.25 per Share), equal to the highest price at which Updater has raised capital on the ASX or (b) the 20-day volume weighted average price of the CDIs on the date of Delisting.</p> <p>A\$1.25 represents a 6% premium to the 20-day volume weighted average CDI price on ASX prior to the Announcement Date (being the date that the Delisting and Buy-Back were announced on 15 August 2018).</p>
11.	<b>Is the Buy-Back subject to Shareholder approval</b>	The Buy-Back is subject to Shareholder approval. The Board has determined to request Shareholder approval for the Delisting and the Buy-Back at a special meeting of the Company to be held on 8:00pm on 6 September 2018 (UESDT) / 10:00am on 7 September 2018.
12.	<b>What happens if Shareholder approval of the Buy-Back is not obtained?</b>	The resolutions for approval of the Delisting and the Buy-Back are inter-conditional. This means that if either the resolution for approval of the Delisting or the Buy-Back are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed and unless a subsequent proposed delisting is approved by Shareholders or ASX determines that the Company's Securities should no longer be listed, the Company will continue to be listed on the ASX and you will be able to trade your CDIs as previously.
13.	<b>Is anyone excluded from participating in the Buy-Back</b>	<p>Yes. Excluded Security holders are not able to participate in the Buy-Back.</p> <p>Excluded Security holders are Security holders whom the Company is aware reside in the United States or in a foreign jurisdiction where it would be either illegal under the laws of that jurisdiction or in the Company's opinion excessively onerous, costly and/or time consuming, to permit Security holders residing in that jurisdiction to participate in the Buy-Back. Further details on Excluded Security holders is set out in section 5.1 of the Buy-Back Booklet.</p>

## Options for CDI holders – Pre Delisting

14.	<b>What are my options now (before Delisting)</b>	<p>You have several options available to you:</p> <p>1) Up to and including 8 October 2018, you can sell your CDIs on</p>
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	from ASX)?	<p>ASX (see question 15).</p> <ol style="list-style-type: none"> <li>Up to and including 10 October 2018 you can convert some or all of your CDIs into Shares. You will then become a registered Shareholder of Updater and will, if both the Delisting and Buy-Back are approved, hold Shares in an unlisted US company (see question 8).</li> <li>Between 28 August 2018 and 27 September 2018, provided you are not an Excluded Security holder, you can sell some or all of your CDIs into the Buy-Back (see question 9).</li> <li>You can do nothing, in which case, if Delisting occurs, you will receive Shares in Updater following the Delisting (see question 19).</li> </ol> <p><i>In considering which option to take, you should note that the Delisting is conditional upon Shareholder approval of both the Delisting and Buy-Back being obtained and therefore there is no guarantee at this time as to whether it will occur.</i></p> <p><i>Prior to making a decision, you should obtain financial and tax advice. The Directors of the Company make no recommendation as to which option you should take.</i></p>
15.	How do I sell my CDIs?	<p><b>Before Delisting</b></p> <p>Up to and including 8 October 2018, you can sell your CDIs as you have previously done so (ie, by contacting your stockbroker). As is customary, you will be responsible for all costs incurred on this sale.</p> <p><b>Sell under the Buy Back</b></p> <p>Between 28 August 2018 and 27 September 2018, you can sell some or all of your CDIs into the Buy-Back.</p> <p><b>After Delisting</b></p> <p>After delisting on 10 October 2018, if you still hold CDIs, these will be compulsorily converted to Shares on 23 October 2018 (see question 19).</p> <p>After Delisting, Shares will only be capable of sale by private off-market transaction with a willing third party purchaser in accordance with the Company's Bylaws and Certificate of Incorporation. Such a third party market may not be liquid and Security holders will be personally responsible for sourcing potential purchasers of their Securities.</p>
16.	How do I convert my CDIs to Shares?	<p>Up until 10 October 2018 you can convert your CDIs into Shares by:</p> <ul style="list-style-type: none"> <li>completing and returning the Registry Removal Request, a copy of which can be obtained by contacting Computershare Investor Services Pty Ltd (<b>Computershare</b>) on 1300 850 505 (within Australia) or +61 3 9415 400 (outside Australia) between 8.30am and 5.00pm Monday to Friday (Sydney time), if your CDIs are held on the issuer sponsored sub-register; or</li> <li>contacting your broker, if your CDIs are held on the CHESS sub-register.</li> </ul> <p>If you are unsure about which sub-register your CDIs are held on, you can contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).</p>

17.	<b>How much does it cost to convert my CDIs to Shares?</b>	There is no fee for conversion of your CDIs to Shares.
18.	<b>When can I trade my Shares once I have converted my CDIs?</b>	<p>You will not be able to sell your Shares until the conversion process is complete. The conversion period varies depending on which sub-register your CDIs are held on and how you elect your Shares to be held on conversion. The conversion process should occur within three business days following receipt by Computershare of your completed Register Removal Request.</p> <p>After Delisting and once your CDIs have been converted to Shares, any Shares you hold will only be capable of sale by private off-market transaction with a willing third party purchaser in accordance with the Company's Bylaws and Certificate of Incorporation. Such a third party market may not be liquid and Security holders will be personally responsible for sourcing potential purchasers of their Securities.</p>

#### Options for CDI holders – Post-delisting

19.	<b>What are my options after my CDIs have been delisted from ASX?</b>	<p>After delisting on 10 October 2018, if you still hold CDIs, CHES Depositary Nominees Pty Ltd (CDN) will terminate the trust under which the Shares are currently held and on 23 October 2018, CDN will transfer the legal title to the underlying Shares to CDI holders so that CDI holders will instead hold the full legal and beneficial title to 1 Share for every 25 CDIs held at the date of Delisting.</p> <p>Updater will notify you of any changes to these dates.</p>
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#### Options for Shareholders

20.		<p>You have several options available to you:</p> <ol style="list-style-type: none"> <li>1) Up to and including 8 October 2018, you can convert your Shares to CDIs and sell your CDIs on ASX.</li> <li>2) You can retain your holding of Shares in Updater and if both the Delisting and Buy-Back are approved, you will hold Shares in an unlisted US company post Delisting (see question 8).</li> <li>3) Between 28 August 2018 and 27 September 2018, provided you are not an Excluded Security holder, you can sell some or all of your CDIs into the Buy-Back (see question 9).</li> </ol> <p><i>In considering which option to take, you should note that the Delisting is conditional upon Shareholder approval of both the Delisting and Buy-Back being obtained and therefore there is no guarantee at this time as to whether it will occur.</i></p> <p><i>Prior to making a decision, you should obtain financial and tax advice. The Directors of the Company make no recommendation as to which option you should take.</i></p>
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#### Options for Security holders – General

21.	<b>Which option is the best?</b>	<p>This is dependent on the Security holder's individual circumstances and the circumstances of the market at the time of the option election.</p> <p>You should strongly consider obtaining financial advice based on your individual circumstances before deciding which option you</p>
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should select.

## Tax implications of the Delisting and Buy-Back

22.	<p><b>What are the tax implications of the Delisting and Buy-Back?</b></p>	<p><i>Australian tax implications</i></p> <p>In the event you retain some or all of your Securities which are compulsorily acquired as part of the Delisting, the conversion of your CDIs into Shares will not give rise to a capital gains tax event (CGT event).</p> <p>In the event you sell Securities to the Company under the Buy-Back, this may give rise to a CGT event, potentially resulting in a capital gain or a capital loss.</p> <p><i>US tax implications</i></p> <p><i>(a) US holders: Conversion of CDIs</i></p> <p>In the event a U.S. holder retains some or all of its Securities which are compulsorily converted as part of the Delisting, the conversion of the U.S. holder's CDIs into Shares should not give rise to U.S. federal income taxation, except possibly in the event that cash is paid in exchange for their entitlement to fractional Shares. U.S. holder is defined for this purposes pursuant to U.S. federal income tax laws.</p> <p><i>(b) Non-US holders</i></p> <p>In the event a non-U.S. holder sells Securities to the Company under the Buy-Back, the Company (or any financial intermediary required by law to withhold U.S. tax) may withhold an amount of U.S. federal income tax equal to 30% of the gross payments payable to a non-U.S. holder (defined, for this purpose, pursuant to U.S. federal income tax laws) or its agent in connection with the Buy-Back unless the Company (or such intermediary) determines that a reduced rate of withholding is available pursuant to a tax treaty or that an exemption from withholding is applicable.</p> <p>In the event a non-U.S. holder retains some or all of its Securities which are compulsorily converted as part of the Delisting, the conversion of a non-U.S. holder's CDIs into Shares should not give rise to U.S. federal income taxation, except possibly in the event that cash is paid in exchange for their entitlement to fractional Shares.</p> <p>Each non-U.S. holder must deliver to the Company before the payment a properly completed and executed appropriate IRS Form W-8.</p> <p>Security holders should obtain their own independent professional advice on the tax implications of the conversion and subsequent sale of Shares based on their specific circumstances.</p> <p>Further information on any tax implications of the Delisting and Buy-Back are set out in section 4 of the Buy-Back Booklet enclosed with this document.</p>
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## Updater contacts

23.	<p><b>Who can I speak to at Updater in relation to the Delisting or Buy-Back?</b></p>	<p>Please call or email Simon Hinsley (Investor Relations) at Updater at <a href="mailto:simon@updater.com">simon@updater.com</a> or on +61 401 809 653.</p>
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<b>Computershare contacts</b>		
<b>24.</b>	<b>Who can I speak to at Computershare in relation to the Delisting or Buy-Back process?</b>	Please contact the Company's Buy-Back enquiry line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm Monday to Friday (AEST).
<b>General</b>		
<b>25.</b>	<b>Defined terms</b>	Capitalised terms used but not defined in this document, have the meaning given to them in the Buy-Back Booklet.