



ASX Announcement
1 March 2017

NOTICE OF ANNUAL MEETING

Updater Inc. (ASX: UPD) ("Updater" or the "Company") is dispatching the attached Notice of Annual Meeting and Proxy Statement to all Shareholders of the Company (both holders of common stock and CDIs) on or about 2 March 2017. A sample CDI Voting Instruction Form has been filed with this Notice of Annual Meeting.

For more information, please contact:

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About Updater:

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

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

For more information, please visit www.updater.com

To our Shareholders,

Updater Inc. (ASX: UPD) ("Updater" or the "Company") is pleased to invite you to attend its 2017 Annual Meeting of Shareholders (the "Annual Meeting"). The Annual Meeting will be held at the Company's offices at 19 Union Square West, 12th Floor, New York City, New York, United States of America on Sunday, 26 March 2017 at 8.00pm US Eastern Daylight Time (USEDT) (Monday, 27 March 2017 at 11.00am Australian Eastern Daylight Time (AEDT)).

The matters to be considered and voted on at the Annual Meeting are described in the accompanying Notice of 2017 Annual Meeting of Shareholders (The "Notice of Annual Meeting") and Proxy Statement. Following the formal business of the meeting, the Company will provide Shareholders with an update on our business and answer Shareholder questions.

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

A video webcast of the meeting will be held at the following venues on Monday, 27 March 2017 at 11.00am Australian Eastern Daylight Time:

- 1) Melbourne: Dexus Place, Level 14, 385 Bourke Street Melbourne, Victoria, 3000, Australia.
- 2) Sydney: Dexus Place, Level 5, 1 Margaret Street, Sydney, NSW, 2000, Australia

A teleconference facility has been set up for Shareholders unable to attend in person. Please dial in Australia (toll free) – 1800 420 390, participant code 45979757

We look forward to seeing you at the Annual Meeting.

Yours faithfully,

David Greenberg
Founder and CEO
david.greenberg@updater.com

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

**NOTICE OF
2017 ANNUAL MEETING OF SHAREHOLDERS**

To be held on
26 March, 2017 (U.S.)
27 March 2017 (Australia)

The 2017 Annual General Meeting (the “AGM” or the “Annual Meeting”) of Shareholders of Updater Inc. (“Updater” or the “Company”) will be held at 19 Union Square West, 12th Floor, New York City, New York, United States of America on Sunday, 26 March 2017 at 8.00pm US Eastern Daylight Time (Monday, 27 March 2017 at 11.00am Australian Eastern Daylight Time) for the following purposes:

1. Re-Election of Grant Schaffer as a Director

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

“That Mr. Grant Schaffer who retires in accordance with clause 3.03 of the Company's Bylaws and, being eligible for re-election, is hereby re-elected as a Director of the Company pursuant to Section 3.03 of the Company's Bylaws.”

2. Approval of Additional Shares Issue Capacity Under ASX Listing Rule 7.1A

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

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of Updater Inc. (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting (10% Placement Facility).”

3. Ratification of Placement

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 6 October 2016 of a total of 60,000,000 CDIs equivalent to 2,400,000 shares of common stock in Updater Inc. (Placement CDIs) at an issue price of A\$0.50 per CDI (equivalent to A\$12.50 per Share), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified.”

Board recommendations

The Board of Directors recommends that our Shareholders vote “FOR” Items 1, 2 and 3; except for Grant Schaffer who abstains from making a recommendation on Item 1 due to his personal interest in this proposal.

Record Date and Voting Rights

Shareholders may vote at the Annual Meeting if they are a Shareholder of record, hold CHESS Depository Interests (“CDIs”), or are a beneficial owner of Shares or CDIs held in Street Name (as defined below) on Friday, 3 March 2017 at 5.00pm U.S. Eastern Time, Saturday, 4 March 2017 at 9:00am Australian Eastern Daylight Savings time (the “Record Date”). Section 2.05 and 2.11 of the Company’s Bylaws provide that the Record Date must be at least ten (10) days prior to the Annual Meeting.

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

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

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

Dated this 28 February 2017.

By Order of the Board

David Greenberg
Founder and CEO

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE 2017 ANNUAL MEETING OF SHAREHOLDERS:

This Notice of Annual Meeting and Proxy Statement and the December 31, 2016
Financial Statements are available at www.updater.com

Proxy Statement

2017 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON 26 MARCH 2017

The Board of Directors of Updater Inc. (the “Company”) is soliciting proxies for use at the 2017 Annual Meeting of Shareholders (the “Annual Meeting”) to be held at 19 Union Square West, 12th Floor, New York City, New York, United States of America on Sunday, 26 March 2017 at 8.00pm US Eastern Daylight Time (Monday, 27 March 2017 at 11.00am Australia Eastern Daylight Time) and at any adjournment or postponement of the meeting. We expect to mail this proxy statement (this “Proxy Statement”) and the accompanying Notice of the 2017 Annual Meeting (the “Notice of Annual Meeting”) to Shareholders on or about 2 March 2017.

QUESTIONS AND ANSWERS

What is the purpose of the Annual Meeting?

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

- The re-election of Mr. Grant Schaffer as a Director of the Company (“Item 1”);
- The approval of a 10% placement facility (“Item 2”); and
- Ratification of the issue of 60,000,000 Placement CDIs on 6 October 2016 pursuant to a placement (“Item 3”).

Who is entitled to vote at the Annual Meeting?

Only those Shareholders of record, or beneficial owners of Shares or CDIs held in Street Name (as defined below), on Friday, 3 March 2017 at 5.00pm U.S. Eastern Time, Saturday, 4 March 2017 at 9:00am Australian Eastern Daylight Savings time (the “Record Date”), will be entitled to vote at the meeting and any adjournment or postponement thereof.

There are currently 19,556,778 Shares of common stock outstanding (equivalent to 488,919,450 CDIs), all of which are entitled to vote with respect to the items to be acted upon at the Annual Meeting, subject to applicable voting exclusions. Therefore, there is currently a total of 19,556,778 votes entitled to be cast at the Annual Meeting.

Each Share of common stock is entitled to one vote per Share. Each CDI represents 1/25 of a Share of common stock.

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

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

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

Item 1 – No votes will be excluded for Item 1.

Item 2 - The Company must disregard any votes cast on Item 2 by a person who may participate in the proposed issue of any Shares under the additional 10% Placement Capacity, and any of their associates, and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares or CDIs, and any of their associates, if the resolution under Item 2 is passed.

Item 3 – the Company will disregard any votes cast on Item 3 by any person who participated in the abovementioned issue of Placement CDIs and any associates of those persons.

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

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

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

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

Pursuant to Section 2.06 of the Company's Bylaws, the holders of a majority of the Shares issued and outstanding and entitled to vote at the Annual Meeting must be

present in person or represented by proxy to constitute a quorum for the transaction of business. Shares are counted as present at the Annual Meeting if:

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

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

What is a proxy?

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

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

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

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

CDN is the Shareholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of the Annual Meeting and attend the Annual Meeting and may direct CDN to vote at the Annual Meeting by using the method described in the CDI Voting Instruction Form.

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

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

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

Please Note: *You may only vote your Shares in person at the meeting by completing a ballot at the meeting if you own common stock and are a Shareholder of record on the Record Date. CDI Holders can attend the meeting in NYC, however are unable to vote in person at the meeting.*

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

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

How do I vote my Shares of common stock?

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

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

If you are a Shareholder of record, you can vote in any of the following ways:

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

How do I vote if I hold CDIs?

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

- a) Instructing CHESS Depositary Nominees Pty Ltd. (“CDN”), as the Shareholder of record, to vote the Shares underlying your CDIs pursuant to your instructions in the CDI Voting Instruction Form provided to Computershare or via the Internet option set forth below.
- b) Converting your CDIs into Shares of common stock and voting such Shares at the meeting in person or by proxy.

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

- c) Informing the Company that you wish to nominate yourself or another person to be appointed as CDN’s proxy with respect to the Shares underlying your CDIs for the purposes of attending and voting at the Annual Meeting by completing Step 2 in the enclosed CDI Voting Instruction Form.

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

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

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

If you hold your Shares or CDIs in Street Name (as defined in the Proxy Statement), you must vote your Shares or CDIs in the manner set forth by your broker, bank, trust or other nominee, which is similar to the voting procedures for Shareholders of record or CDI holders. You will receive a voting instruction form (not a proxy card) to use in directing your applicable broker, bank, trust or other nominee how to vote your Shares or CDIs.

Voting Mechanics

Proxy cards

Valid, signed and dated proxy cards must be received by Computershare US no later than 11.00am on Thursday, 23 March 2017, Australian Eastern Daylight Time, (Wednesday, 22 March 2017 at 8.00pm U.S. Eastern Daylight Time).

CDI Voting Instruction Forms

Completed CDI Voting Instruction Forms must be provided to Computershare no later than 11.00am on Wednesday, 22 March 2017, Australian Eastern Daylight Time (Tuesday, 21 March 2017 at 8.00pm U.S. Eastern Daylight Time), in accordance with the instructions on that form. The CDI voting deadline is two business days prior to the date that Proxy Cards are due so that CDN may vote the Shares underlying the applicable CDIs.

To vote via the Internet at www.investorvote.com.au, Shareholders must use a control number that is provided in the materials with this Notice of Annual Meeting and follow the additional steps when prompted. The steps have been designed to authenticate your identity, allow you to give voting instructions, and confirm that those instructions have been recorded properly. Votes must be cast by 11.00am on Friday, 24 March 2017, Australian Eastern Daylight Time (Thursday, 23 March 2017 at 8.00pm U.S. Eastern daylight Time).

In person

Please arrive at 19 Union Square West, 12th Floor, New York City, New York, United States of America on Sunday, 26 March 2017 no later than 8.00pm U.S. Eastern Daylight Time (Monday, 27 March 2017 at 11.00am Australian Eastern Daylight Time) in order to vote in person. All Shareholders as of the Record Date are invited to attend the Annual Meeting. You may be asked to present valid photo identification, such as a driver's license or passport, before being admitted to the meeting. If you hold your Shares in Street Name or you are a CDI holder, you may also be asked to present proof of ownership to be admitted to the meeting. A brokerage or holding statement

or letter from your broker, bank, trust or other nominee are examples of proof of ownership.

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

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

Subject to voting exclusion statements for a proposal, the vote required to approve each Item is set forth below. Information on voting exclusions are set forth in the additional information provided for each Item.

Item 1 — Re-election of Grant Schaffer as a Director of the Company

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

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

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

Item 2 — Approval of 10% Placement Facility

Pursuant to Listing Rule 7.1A, the proposal to approve the 10% Placement Facility requires the affirmative vote of the holders of 75% of votes cast on this proposal by members entitled to vote on the resolution.

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

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

Item 3 – Ratification of Placement

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

You may vote “FOR”, “AGAINST” or “ABSTAIN” on the ratification of 60,000,000 Placement CDIs (equivalent to 2,400,000 Shares) pursuant to a placement of CDIs conducted on 6 October 2016.

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

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

How do I change my vote or revoke my proxy?

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

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

The written statement to the ASX Representative should be delivered to Company Matters Level 12, 680 George Street, Sydney NSW 2000 (PO Box 20547, World Square NSW 2002) Attention: Nathan Bartrop, or hand delivered to such address, before the taking of the vote at the Annual Meeting.

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

If you are a holder of CDIs and you direct CDN to vote by completing the CDI Voting Instruction Form, you may revoke those directions by delivering to Computershare, no later than Friday, 24 March 2017, no later than 8.00pm U.S. Eastern Daylight Time (Saturday, 25 March 2017 at 11.00am Australian Eastern Daylight Time), a written notice of revocation bearing a later date than the CDI Voting Instruction Form previously sent.

Who pays for the cost of proxy preparation and solicitation?

The Company pays for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks, trusts or other nominees for forwarding proxy materials to Street Name holders and CDI holders. The Company is soliciting proxies by mail. In addition, the Directors, officers and regular employees of the Company may solicit proxies personally, telephonically, electronically or by

other means of communication. The Company's Directors, officers and regular employees will receive no additional compensation for their services other than their regular compensation.

Items of Business at the Annual Meeting

ITEM 1 –RE-ELECTION OF DIRECTOR

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

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

Re-election of Mr. Grant Schaffer to the Board

The Board of Directors appointed Mr. Schaffer as a Director of the Company on 14 February 2011. In accordance with Listing Rule 14.4, Mr. Schaffer will retire at the Annual Meeting and being eligible for re-election, submits himself for re-election as a director by shareholders of the Company.

Grant was the lead seed investor in the Company and has been on the Board since 2011. Grant is an active technology investor in both Australia and the United States. Grant previously held a range of senior positions within London-based investment bank Evolution Securities (since sold to Investec plc), and Ernst & Young in Australia.

Grant is a chartered accountant, holds a Bachelor of Arts and a Bachelor of Commerce degree from the University of Western Australia, is a Member of the Australian Institute of Company Directors and completed the Owner/President Management Program at Harvard Business School.

Current directorships of listed companies: None

Former directorships of listed companies in last three years: None

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

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

ITEM 2 APPROVAL OF ADDITIONAL PLACEMENT CAPACITY UNDER ASX LISTING RULE 7.1A

Background

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

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

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

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

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

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

Currently, the Company has no plans to issue any equity securities nor does the Company currently seek to raise more funding as the Company has sufficient capital to achieve its near-term business objectives set forth in the 2016 Annual Report.

Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

(c) Formula for calculating 10% Placement Facility

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

(A x D) – E

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

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

D = 10%

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

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

If passed, Item 2 will allow the Board to issue up to an additional 10% of the Company's issued capital during the 12 month period following the date of the Annual Meeting without requiring further Shareholder approval. This is in addition to the Company's 15% annual placement capacity provided for in ASX Listing Rule 7.1.

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

As required by ASX Listing Rule 7.3A, the following information is provided in relation to this Item 2.

(e) 10% Placement Period

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

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

or such longer period if allowed by the ASX ("the 10% Placement Period").

ASX Listing Rule 7.1A

The effect of Item 2 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Item 2 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by ASX Listing Rule 7.3A

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

- (a) ASX Listing Rule 7.3A.1** - The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price ("VWAP") as defined under the ASX Listing Rules for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i)** the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii)** if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

In accordance with ASX Listing Rules, if the Equity Securities are issued for non-cash consideration, the Company will provide a valuation to the

market that demonstrates the non-cash consideration issue price of the Equity Securities complies with ASX Listing Rule 7.3A.

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

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

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

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

Variable 'A' in Listing Rule 7.1A.2	Dilution			
	Issue price (per CDI)	\$0.2125 50% decrease in Issue Price	\$0.425 Issue Price	\$0.850 100% increase in Issue Price
Current Variable A 488,919,450	10% Voting dilution	48,891,945	48,891,945	48,891,945
	Funds raised	\$10,389,538	\$20,779,077	\$41,588,153
50% increase in current Variable A 733,379,175	10% Voting dilution	73,337,918	73,337,918	73,337,918
	Funds raised	\$15,584,307	\$31,168,615	\$62,337,230
100% increase in current Variable A 977,838,900	10% Voting dilution	97,783,890	97,783,890	97,783,890
	Funds raised	\$20,779,077	\$41,558,153	\$83,116,307

The table also shows:

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

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No options are exercised into common stock before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of CDIs.
 - (vii) The issue price is A\$0.425, being the closing price of the CDIs on ASX on 21 February 2017.
 - (viii) Assuming all Shares of common stock are held as CDIs
- (c) **ASX Listing Rule 7.3A.3** - The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Item 2 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a

significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

- (d) **ASX Listing Rule 7.3A.4** - The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) working capital requirements and ongoing business development activities and/or for acquisition of new assets or investments (including expenses associated with such acquisition).

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

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

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

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

- (f) **ASX Listing Rule 7.3A.6** - Previous Approval under ASX Listing Rule 7.1A

- The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2016 Annual General Meeting held on 27 May 2016.

- In the twelve months preceding the date of the 2017 Annual Meeting, the Company has issued 2,477,291 Shares and 1,199,500 options (a total of 3,676,791 equity securities) which represents 18.31% of the total number of equity securities on issue at the commencement of the 12 month period (being 26 March 2016, details of which are set out on the following page).

Details of All issues of Equity Securities During the Twelve Months Preceding 26 March 2017

Date of Issue	3 May 2016 Share Issue	3 May 2016 Options	29 June 2016 Share Issue	22 July 2016 Share Issue	22 July 2016 Options	10 August 2016 Options	6 October 2016 Shares	18 October 2016 Options	18 October 2016 Share Issue
Number issued	20,625 shares (equivalent to 525,625 CDIs) issued on exercise of vested stock options	1,006,000 options (equivalent to 25,150,000 CDIs)	5,000 shares (equivalent to 125,000 CDIs) issued on exercise of vested stock options	40,000 shares (equivalent to 1,000,000 CDIs) issued on exercise of vested stock options	14,000 options (equivalent to 350,000 CDIs)	25,000 options (equivalent to 625,000 CDIs)	2,400,000 shares (equivalent to 60,000,000 CDIs)	154,500 options (equivalent to 3,862,500 CDIs)	11,666 shares (equivalent to 291,650 CDIs) issued on exercise of vested stock options
Class of equity securities	Common stock	Options over common stock. For terms of these options, please refer to ASX announcement and Appendix 3B dated 3 May 2016	Common Stock	Common Stock	Options over common stock. For terms of these options, please refer to ASX announcement and Appendix 3B dated 26 July 2016	Options over common stock. For terms of these options, please refer to ASX announcement and Appendix 3B dated 11 August 2017	Common stock	Options over common stock. For terms of these options, please refer to ASX announcement and Appendix 3B dated 18 October 2016	Common stock
Names of persons to whom equity securities were issued	Employees of Updater	Options granted to Updater's employees and consultants in accordance with the terms and conditions of the Company's 2010 Stock Incentive Plan	Employees of Updater	Employees of Updater	Options granted to Updater's employees and executives in accordance with the terms and conditions of the Company's 2010 Stock Incentive Plan	Options granted to employees of Updater in accordance with the terms and conditions of the Company's 2010 Stock Incentive Plan	Institutional investors	Options granted to employees of Updater in accordance with the terms and conditions of the Company's 2010 Stock Incentive Plan	Employees of Updater
Issue price and discount to market price (if any)	US\$0.47 per share	Nil – options are subject to vesting and, should they vest, will have an exercise price of US\$3.50 per share	US\$0.47 per share	US\$3.74 per share	Nil – options are subject to vesting and, should they vest, will have an exercise price of AU\$0.25 per CDI	Nil - options are subject to vesting and, should they vest, will have an exercise price equivalent to the current market price of the CDIs	US\$0.50 per CDI	Nil – options are subject to vesting and, should they vest, will have an exercise price of US\$10.75 per share	US\$3.61 per share
Total cash consideration	US\$9,694	Nil	US\$2,350	US\$149,627	Nil	Nil	US\$30,000,000	Nil	US\$42,111.93
Use of cash consideration	Proceeds used to accelerate growth, as the Company plans to expand the size of its team	N/A	Proceeds used to accelerate growth, as the Company plans to expand the size of its team	Proceeds used to accelerate growth, as the Company plans to expand the size of its team	N/A	N/A	Proceeds of the placement will be used to accelerate growth, as the Company plans to expand its team	N/A	Proceeds will be used to accelerate growth, as the Company plans to expand its team

Board recommendation and Chairman's voting intention for Item 2

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

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

Voting Exclusion for Item 2

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in respect of Item 2 by a person who may participate in the proposed issue of any Equity Securities under the 10% Placement Capacity and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if Item 3 is passed, and any associates of those persons.

However, the Company need not disregard a vote if:

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

As at the date of this Notice of Meeting, the Company has no specific plans to issue Equity Securities under ASX Listing Rule 7.1A and therefore it is not known who, if any, may participate in a potential issue of Equity Securities, if any, under ASX Listing Rule 7.1A. Accordingly, as at the date of this Proxy Statement, the Company is not aware of any person who would be excluded from voting on this Item 2.

ITEM 3 RATIFICATION OF PLACEMENT

On 28 September 2016, the Company announced details of a placement to professional and sophisticated investors to subscribe for 60,000,000 CDIs (2,400,000 Shares) at a price of A\$0.50 per CDI (A\$12.50 per share), to raise A\$30 million (**Placement**). Foster Stockbroking acted as Lead Manager to the Placement.

The Placement CDIs were issued on 6 October 2016 under Updater Inc.'s 15% placement capacity in accordance with ASX Listing Rule 7.1.

Specific information about Item 3 – Ratification of Placement

Under ASX Listing Rule 7.1, a company must obtain shareholder approval if it wants to issue more than 15% of its equity securities. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities

issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

The Company is seeking approval for the purposes of ASX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under Listing Rule 7.1, thereby providing the Company with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

The Placement was made within the 15% limit permitted under ASX Listing Rule 7.1 and without shareholder approval. Accordingly, Item 3 is proposed for the purpose of ratifying the issue of the Placement CDIs and thereby refreshing the Company's ability to issue Shares or CDIs in the future up to the 15% limit should the need or opportunity arise.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- the number of CDIs issued under the Placement was 60,000,000 CDIs, equivalent to 2,400,000 Shares.
- the CDIs issued under the Placement were issued at a price of A\$0.50 per CDI, equivalent to A\$12.50 per share.
- CDIs (and corresponding Shares) under the Placement have been issued to a range of sophisticated and professional investors who qualify under the requirements of section 708 of the Corporations Act identified by Foster Stockbroking;
- the Shares underlying the CDIs issued under the Placement were fully paid common stock which rank equally with all other existing Shares from the date of issue.
- the funds raised from the Placement were used to accelerate growth, as the Company plans to expand its Sales, Client Support, Product and Engineering teams
- a Voting Exclusion Statement accompanies Item 3 in this Notice of Meeting.

The Directors unanimously recommend Shareholders vote in favour of Item 3

Voting Exclusion for Item 3

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 7 by any person who participated in the above issue of Placement CDIs and any associates of those persons.

However, the Company need not disregard a vote if:

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

OTHER BUSINESS

The Company, being a company incorporated in the state of Delaware, United States, is not required to meet the *Corporations Act 2001* (Cth) requirements to lay before the meeting the annual financial report and other related reports.

The Board of the Company has however decided to lay before the meeting the Company's audited financial statements and the reports for the year ended 31 December 2016.

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

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

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



UPDATER INC. ARBN 609 188 329

UPD

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

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

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

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

For all enquiries call:

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

CDI Voting Instruction Form

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Vote and view the annual report online

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

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

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



For your vote to be effective it must be received by 11.00am (AEDT) Wednesday, 22 March 2017

How to Vote on Items of Business

Twenty five (25) CHESS Depositary Interest (CDIs) is equivalent to one (1) share of Company Common Stock, so that every 25 (twenty five) CDIs that you own at 9.00am (AEDT) Saturday, 4 March 2017 entitles you to one vote.

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

Signing Instructions

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

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

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

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

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

GO ONLINE TO VOTE
or turn over to complete the form

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

☐

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



I 9999999999

I ND

CDI Voting Instruction Form

Please mark ☒ to indicate your directions

STEP 1 CHES Depositary Nominees will vote as directed

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Voting Instructions to CHES Depositary Nominees Pty Ltd

Please mark box A OR B

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

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

OR

B ☐ appoint the Chairman of the Meeting

OR

to attend, speak and vote the shares underlying my/our holding at the Annual Meeting of Updater Inc. ("the Company") to be held at the Company's offices at 19 Union Square West, 12th Floor, New York City, New York, United States of America on Sunday, 26 March 2017 at 8.00pm (US EDT) / Monday, 27 March 2017 at 11.00am (AEDT) and at any adjournment of that meeting in accordance with the directions in Step 2 below. Where no direction is given, the proxy may vote as they see fit.

STEP 2 Items of Business

		For	Against	Abstain
Item 1	Re-election of Grant Schaffer as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

/ /

UPD

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