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**IODM LIMITED**

**ABN 28 102 747 133**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11:00 am (AEDT)

**DATE:** 21 November 2019

**PLACE:** Gadens  
Level 25/600 Bourke St,  
Melbourne VIC 3000

***This Notice of Annual General Meeting is an important document and requires your immediate attention. Please read it carefully. If you are in doubt as to what you should do, please consult your professional adviser.***

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of IODM Limited, to which this Notice of Annual General Meeting relates, will be held at 11:00 am (AEDT) on 21 November 2019 at:

Gadens  
Level 25/600 Bourke St,  
Melbourne VIC 3000

### YOUR VOTE IS IMPORTANT

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The business of the Annual General Meeting affects your shareholding and your vote is important.

### VOTING ELIGIBILITY

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on 19 November 2019.

### VOTING IN PERSON

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To vote in person, attend the Annual General Meeting on the date and at the place set out above.

### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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 the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of IODM Limited will be held at Gadens, Level 25/600 Bourke St, Melbourne VIC 3000 at 11:00 am (AEDT) on 21 November 2019.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### ORDINARY BUSINESS

##### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2019.”*

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

##### Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this resolution if:

- (a) the proxy is either: a member of the Key Management Personnel; or a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; and
  - (d) the voter is the Chair and the appointment of the Chair as a proxy does not specify the way the proxy is to vote on this resolution then the voter must expressly authorise the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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#### 2. RESOLUTION 2 – ELECTION OF A DIRECTOR – MR ANTHONY SMITH

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 8.1(b) of the Constitution and for all other purposes, Mr Anthony Smith, a Director who was appointed on 4 June 2019, retires, and being eligible, is elected as a Director.”*

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#### 3. RESOLUTION 3 – ELECTION OF A DIRECTOR – MR BRIAN JAMIESON

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 8.1(b) of the Constitution and for all other purposes, Mr Brian Jamieson, a Director who was appointed on 28 August 2019, retires, and being eligible, is elected as a Director.”*

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#### 4. RESOLUTION 4 – RE-ELECTION OF A DIRECTOR – MR DAVID IRELAND

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 8.1(c) of the Constitution and for all other purposes, Mr David Ireland, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 5. RESOLUTION 5 – INCREASE IN NON-EXECUTIVE DIRECTORS’ FEES

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 10.17, clause 8.3(a) of the Constitution and for all other purposes, the maximum aggregate annual remuneration that may be paid by the Company as remuneration for services as a Non-Executive Directors of the Company be increased by \$250,000 from \$300,000 to \$550,000 per annum (including the superannuation guarantee contributions payable by the Company to Directors)”.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director or any associate of such Director. 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 directions on the Proxy Form, or, provided the Chair is not a Resolution Excluded Party, 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.

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**6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 6,153,846 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 29,700,009 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 14,800,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 12,252,605 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,500,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any vote cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**11. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE – SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 2,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue 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 directions on the Proxy Form, or, 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.

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**12. RESOLUTION 12 – APPROVAL OF ISSUE OF EMPLOYEE SHARE OPTIONS TO MR MARK REILLY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, and for all other purposes, approval is given for the issue of 4,090,909 Employee Share Options to Mr Mark Reilly (and/or his nominee) under the Employee Share Option Plan as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of CEO, Director or any of their associates (Resolution 12 Excluded Party). 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 directions on the Proxy Form, or, provided the Chair is not a Resolution 12 Excluded Party, 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.

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**13. RESOLUTION 13 – APPROVAL OF ISSUE OF EMPLOYEE SHARE OPTIONS TO DR PAUL KASIAN**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, and for all other purposes, approval is given for the issue of 909,091 Employee Share Options to Dr Paul Kasian (and/or his nominee) under the Employee Share Option Plan as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of CEO, Director or any of their associates (Resolution 13 Excluded Party). 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 directions on the Proxy Form, or, provided the Chair is not a Resolution 13 Excluded Party, 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.

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**14. RESOLUTION 14 – APPROVAL OF ISSUE OF EMPLOYEE SHARE OPTIONS TO MR ANTHONY SMITH**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, and for all other purposes, approval is given for the issue of 1,675,758 Employee Share Options to Mr Anthony Smith (and/or his nominee) under the Employee Share Option Plan as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of CEO, Director or any of their associates (Resolution 14 Excluded Party). 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 directions on the Proxy Form, or, provided the Chair is not a Resolution 14 Excluded Party, 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.

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**15. RESOLUTION 15 - APPROVAL OF ISSUE OF EMPLOYEE SHARE OPTIONS TO MR BRIAN JAMIESON**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, and for all other purposes, approval is given for the issue of 1,125,00 Employee Share Options to Mr Brian Jamieson (and/or his nominee) under the Employee Incentive Plan as set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of CEO, Director or any of their associates (Resolution 15 Excluded Party). 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 directions on the Proxy Form, or, provided the Chair is not a Resolution 15 Excluded Party, 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.

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**16. RESOLUTION 16 - APPOINTMENT OF AUDITOR TO FILL A VACANCY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, Crowe Horwath having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting on the terms and conditions in the Explanatory Statement.”*

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**17. RESOLUTION 17 – APPROVAL OF 10% PLACEMENT FACILITY**

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

*“That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution 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 directions on the Proxy Form, or, 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.

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**DATED: 15 OCTOBER 2019**

**BY ORDER OF THE BOARD**

**MS PETRINA HALSALL**

**COMPANY SECRETARY**

**IODM LIMITED**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Gadens, Level 25/600, Melbourne, VIC 3000 at 11:00 am (AEDT) on 21 November 2019.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at [www.iodm.com.au](http://www.iodm.com.au)

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2019.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting. All of the Directors who were in office when the Directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

#### 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

#### 2.4 Proxy Restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

***If you appoint a member of the Key Management Personnel as your proxy***

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote.*** Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

***If you appoint the Chair as your proxy***

If you elect to appoint the Chair as your proxy, you do not need to direct the Chair how you wish them to exercise your vote on Resolution 1.

***If you appoint any other person as your proxy***

You do not need to direct your proxy how to vote, and you do not need to tick any further acknowledgement on the proxy form.

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**3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS**

Clause 8.1(a) of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Pursuant to clause 8.1(b) of the Constitution, any Director, who is not a Managing Director, so appointed, holds office only until the next annual general meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Accordingly, Mr Anthony Smith, having been appointed on 4 June 2019 and Mr Brian Jamieson, having been appointed on 28 August 2019 retire from office in accordance with the requirements of clause 8.1(b) of the Constitution and, being eligible, submit themselves for election by Shareholders in accordance with clause 8.1(b) of the Constitution.

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**4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR DAVID IRELAND**

Clause 8.1(c) of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 8.1(c) of the Constitution is eligible for re-election.

Accordingly Mr Ireland retires in accordance with the Constitution and, being eligible for re-election, offers himself for re-election at the Annual General Meeting.

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**5. RESOLUTION 5 – INCREASE IN NON-EXECUTIVE DIRECTORS' FEES**

For the purposes of Listing Rule 10.17 and clause 8.3(a) of the Constitution, Shareholders approval is sought to increase the Directors' aggregate fee limit (AFL) by \$250,000 to \$550,000 per annum (up from \$300,000 per annum). In accordance with Listing Rule 10.17, the AFL is inclusive of superannuation contribution made by the Company for the benefit of Directors and any fees which a Director agrees to sacrifice on a pre-tax basis.

Listing Rule 10.17 provides that an entity must not increase the total amount of Directors' fees payable by it or any of its child entities without the approval of shareholders of its ordinary securities. The rule does not apply to the salary of an Executive Director. Listing Rule 10.17 also requires that the amount of any increase and the maximum amount payable annually to the Directors as a whole be stipulated.

It is considered appropriate and necessary to set an aggregate level of fees payables to Non-Executive Directors that ensure the Company is able to attract and retain appropriate persons as Non-Executive Directors. The current aggregate level of fees payables to Non-Executive Directors of \$300,000 is not considered to be adequate. Accordingly, it is proposed that the amount of funds available for payment of fees to Non-Executive Directors be increased by \$250,000 to \$550,000 per annum.

The proposed level of permitted fees does not mean that the Company must pay the entire amount approved as fees in each year. However, the Board considers that it is reasonable and appropriate to establish this amount as this will provide the Company with flexibility to attract appropriately qualified Non-Executive Directors and to act quickly if the circumstances require it.

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**6. RESOLUTION 6, 7, 8, 9, 10 AND 11 – RATIFICATION OF PRIOR ISSUE – SHARES**

**6.1 General**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

**Resolution 6 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 6,153,846 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.013
- (c) the issue date was 10 December 2018
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds raised from the Placement were used to fund research and development of new architecture and increased working capital due to increase in sales team and overseas expansion.

**Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

**Resolution 7 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 29,700,009 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.015
- (c) the issue date was 28 December 2018
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds raised from the Placement were used to fund research and development of new architecture and increased working capital due to increase in sales team and overseas expansion.

**Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

**Resolution 8 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 14,800,000 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.028
- (c) the issue date was 30 April 2019
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds raised from the Placement were used to increase sales teams and to fund increased working capital and development of new architecture.

**Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

**Resolution 9 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 12,252,605 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.051
- (c) the issue date was 4 July 2019
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds raised from the Placement were used for
  - to fund overseas travel to UK and Asia in relation to expansion of operations overseas
  - to fund an increase in working capital

**Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

## **Resolution 10 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 1,500,000 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.0175
- (c) the issue date was 5 September 2019
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds are to be used for funding overseas expansion

### **Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

## **Resolution 11 – Ratification of previous issue of shares to professional and sophisticated investors**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Placement Ratification:

- (a) 2,000,000 shares were issued pursuant to Listing Rule 7.1;
- (b) the issue price of the Shares was \$0.0175
- (c) the issue date was 10 September 2019
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares were issued to investors who are not related parties or associates of the Company; and
- (f) funds are to be used for funding overseas expansion

### **Directors' recommendation**

The Directors recommend that you vote in favour of this resolution.

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## **7. RESOLUTION 12 TO 15 PROPOSED ISSUE OF DIRECTOR SHARE OPTIONS TO KEY MANAGEMENT PERSONNEL AND DIRECTORS AND/OR NOMINEES**

Resolutions 12 to 15 seek the approval of Shareholders to issue a total of 7,800,758 Employee Share Options to the Key Management Personnel (CEO) and Directors, being Mr M Reilly, Dr Paul Kasian, Mr Anthony Smith and Mr Brian Jamieson (and/or their nominees). Approval is sought pursuant to section 208 of the Corporations Act and Listing Rule 10.14.

### **7.1 Background**

The Key Management Personnel (CEO) and Director Employee Share Options contemplated by Resolutions 12 to 15 will be issued to the CEO and Directors to align the long term goals of the CEO and Directors with that of Shareholders and to establish an incentive for the CEO and Directors to provide ongoing dedicated services to the Company. These Employee Share Options are intended to provide remuneration to the CEO and Directors (and/or their nominees) that is linked to the performance of the Company. The benefit would only be received from the CEO and Director Employee Share Options upon the Share price exceeding the exercise price of the CEO and Director Employee Share Options and thereby warranting their exercise.

Under the Company's current circumstances, the Directors consider that the incentive noted above, represented by the issue of CEO and Directors Employee Share Options, is a cost effective and efficient reward and incentive to provide the CEO and Directors, as opposed to alternative forms of incentive such as payment of cash compensation only. In addition, the Board consider it prudent to remunerate the CEO and Directors by way of CEO and Director Employee Share Options as to preserve the cash reserves of the Company.

### **7.2 Section 208 of the Corporations Act**

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting.

Each of the CEO and Directors is a related party of the Company within the meaning specified under section 228 of the Corporations Act. Further, the provision of the CEO and Director Incentive Options constitutes a financial benefit within the meaning of section 229 of the Corporations Act. Accordingly, Shareholder approval is sought under section 208 of the Corporations Act to permit the issue of the Director Employee Share Options on the terms set out in Resolutions 12 to 15 to the Directors (and/or their nominees) as related parties of the Company.

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolutions 12 to 15:

**(a) Related party whom the financial benefit is to be given**

Mark, Reilly, Paul Kasian, Anthony Smith and Brian Jamieson (and/or their nominees).

**(b) Nature of the financial benefit**

The number of CEO and Director Employee Share Options proposed to be issued to CEO and each Director (and/or its nominees) is as follows:

Director	Number of Tranche 1 Incentive Options	Number of Tranche 2 Incentive Options	Number of Tranche 3 Incentive Options
Mr Mark Reilly	1,363,636	1,363,636	1,363,637
Dr Paul Kasian	303,030	303,030	303,031
Mr Anthony Smith	558,586	558,586	558,586
Mr Brian Jamieson	375,000	375,000	375,000
<b>Total</b>	<b>2,600,252</b>	<b>2,600,252</b>	<b>2,600,254</b>

**(b) Current remuneration and Relevant Interests**

Details of the CEO and Directors' current annualised remuneration, as well as their interests (both direct and interest) in the Company as at the date of the Notice of Meeting are outlined below:

Director	Salary/Fees p.a. (excl. of GST and inclusive of superannuation)
Mr Mark Reilly	\$150,000
Dr Paul Kasian	\$70,000
Mr Anthony Smith	\$36,000
Mr Brian Jamieson	\$42,000

The CEO and Directors interests (both direct and interest) in the Company as at the date of the Notice of Meeting are outlined below:

Director	Shares	Options	
	Ordinary Shares	Unlisted Options	Incentive Options
Mr Mark Reilly	31,002,090		
Dr Paul Kasian	28,516,667	-	-
Mr Anthony Smith	18,530,715	10,000,000	-
Mr Brian Jamieson	-	-	-

**(c) Terms of the CEO and Director Employee Share Options**

Full terms and conditions of the CEO and Director Employee Share Options are set out below in 7.3(b)

**(d) Dilution**

If all of the CEO and Director Employee Share Options under Resolutions 12 to 15 (inclusive) were exercised, and no other Shares were issued by the Company the shareholding of existing Shareholders would, based on the current issued capital of the Company, be diluted by approximately 1.45%.

**(e) Opportunity costs to the Company**

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the CEO and Director Employee Share Options.

**(f) Funds raised**

The CEO and Directors Employee Share Options are granted for nil consideration. Accordingly no funds will be raised.

**(g) Directors' interests**

The CEO and each Director, as a recipient of the Employee Share Options, has a material personal interest in the outcome of the Resolution that applies specifically to him.

No Director or CEO has a material personal interest in the outcome of Resolutions 12 to 15 other than in respect of the proposed issue of Director Incentive Options to him or his nominee.

**(h) Directors' recommendation**

See section 7.4 below.

**(i) Other information**

Other than as set out in this Explanatory Statement, there is no further information which the Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to pass Resolutions 12 to 15.

**7.3 ASX Listing Rule 10.14**

ASX Listing Rule 10.14 provides that a company must not issue equity securities to key management personnel and director or an associate of a director of the company under an employee incentive scheme without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX's opinion, such that approval should be obtained. Further, ASX Listing Rule 7.2 (Exception 14) states that approval pursuant to ASX Listing Rule 7.1 is not required if shareholder approval is obtained under ASX Listing Rule 10.14.

The CEO and Directors are related parties of the Company within the definition specified in ASX Listing Rule 19.12. Accordingly, Shareholder approval is sought under ASX Listing Rule 10.14 to permit the issue of 7,800,758 CEO and Director Incentive Options to the Directors (and/or their nominees) as related parties of the Company on the terms set out in this Explanatory Statement and Annexure B.

The issue of the CEO and Director Employee Options under Resolutions 12 to 15 will not affect the capacity of the Company to issue securities in the next 12 months under ASX Listing Rule 7.1, as those Director Incentive Options (once issued) will be excluded from the calculations under ASX Listing Rule 7.1.

For the purposes of Listing Rule 10.14, the following information is provided to Shareholders in relation to Resolutions 12 to 15:

**(a) Maximum number of securities to be issued**

The maximum number of CEO and Director Employee Share Options proposed to be issued to CEO and each Director (and/or its nominees) is as follows:

<b>KMP / Director</b>	<b>Number of Incentive Options</b>
Mr Mark Reilly	4,090,909
Dr Paul Kasian	909,091

Mr Anthony Smith	1,675,758
Mr Brian Jamieson	1,125,000
<b>TOTAL</b>	<b>7,800,758</b>

(b) **Terms for each Employee Share Option**

The key terms of the CEO and Director Employee Share Options to be issued under Resolutions 12 to 15 are set out in the following table:

<b>KMP/Director</b>	<b>Mark Reilly</b>	<b>Paul Kasian</b>	<b>Anthony Smith</b>	<b>Brian Jamieson</b>
<b>Grant Date</b>	5 July 2019	5 July 2019	5 July 2019	6 Sept 2019
<b>Expiry Date</b>	30 June 2023	30 June 2023	30 June 2023	30 June 2023
<b>Exercise Price</b>	0.066	0.066	0.066	0.096
<b>Shares Issued</b>	Fully paid ordinary shares which rank equally with existing Shares on issue	Fully paid ordinary shares which rank equally with existing Shares on issue	Fully paid ordinary shares which rank equally with existing Shares on issue	Fully paid ordinary shares which rank equally with existing Shares on issue
<b>No Options</b>	4,090,909	909,091	1,675,758	1,125,000
<b>Vesting Criteria</b>	1,363,636 – 30 June 2020 1,363,636 – 30 June 2021 1,363,637 – 30 June 2022	303,030 – 30 June 2020 303,030 – 30 June 2021 303,031 – 30 June 2022	558,586 – 30 June 2020 558,586 – 30 June 2021 558,586 – 30 June 2022	375,000 – 30 June 2020 375,000 – 30 June 2021 375,000 – 30 June 2022

(c) **Persons referred to in Listing Rule 10.14 who received securities under the Employee Share Option Plan since the last approval**

No persons referred to in Listing Rule 10.14 have ever received any securities under the Employee Incentive Plan.

(d) **Persons referred to in Listing 10.14 entitled to participate in the Employee Share Option Plan**

Mark Reilly, Paul Kasian, Anthony Smith and Brian Jamieson (and/or their nominees).

(e) **Loans in relation to acquisition of Employee Share Options**

There are no loans in relation to the acquisition of Employee Share Options.

(f) **Date by which entity will issue the securities**

The Employee Share Options will be issued to CEO and Directors as soon as possible after the General Meeting and in any event, no later than 1 year after the General Meeting (or such later date to the extent permitted by any ASX waiver of the ASX Listing Rules).

## 7.4 Directors Recommendations

The CEO and Director, as a recipient of the Employee Share Options, has a material personal interest in the outcome of the Resolution that applies specifically to him.

No Director has a material personal interest in the outcome of Resolutions 12 to 15 other than in respect of the proposed issue of Employee Share Options to him or his nominee.

## **Resolution 12**

Mr Mark Reilly expresses no opinion and makes no recommendation in respect of the issue of the Employee Share Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 12.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Employee Share Options to Mr Mark Reilly (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Employee Share Options:

- (i) provides a long-term incentive to Mr Mark Reilly linked to the future success of the Company;
- (ii) is a fair and reasonable alternative to additional cash payment of CEO;
- (iii) recognises the contribution Mr Mark Reilly has and will continue to make to the Company; and
- (iv) is in line with the remuneration benefits paid to CEOs of other companies operating in the Company's industry and in an international business environment.

## **Resolution 13**

Dr Paul Kasian expresses no opinion and makes no recommendation in respect of the issue of the Employee Share Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 13.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Employee Share Options to Dr Paul Kasian (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Employee Share Options:

- (i) provides a long-term incentive to Dr Kasian linked to the future success of the Company;
- (ii) is a fair and reasonable alternative to additional cash payment of Chairman's fees;
- (iii) recognises the contribution Dr Kasian has and will continue to make to the Company; and
- (iv) is in line with the remuneration benefits paid to directors of other companies operating in the Company's industry and in an international business environment.

## **Resolution 14**

Mr Anthony Smith expresses no opinion and makes no recommendation in respect of the issue of the Employee Share Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 14.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Employee Share Options to Mr Anthony Smith (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Employee Share Options:

- (i) provides a long-term incentive to Mr Smith linked to the future success of the Company;
- (ii) is a fair and reasonable alternative to additional cash payment of Director's fees;
- (iii) recognises the contribution Mr Smith has and will continue to make to the Company; and
- (iv) is in line with the remuneration benefits paid to directors of other companies operating in the Company's industry and in an international business environment.

## **Resolution 15**

Mr Brian Jamieson expresses no opinion and makes no recommendation in respect of the issue of the Employee Share Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 15.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Employee Share Options to Mr Brian Jamieson (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Employee Share Options:

- (i) provides a long-term incentive to Mr Jamieson linked to the future success of the Company;
- (ii) is a fair and reasonable alternative to additional cash payment of Director's fees;
- (iii) recognises the contribution Mr Jamieson has and will continue to make to the Company; and

- (iv) is in line with the remuneration benefits paid to directors of other companies operating in the Company's industry and in an international business environment

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## 8. RESOLUTION 16 – APPOINTMENT OF AUDITOR TO FILL A VACANCY

BDO East Coast Partnership (**BDO ECP**) has resigned as the Company's auditor in accordance with Section 329(5) of the Corporations Act with effect from the conclusion of the AGM. BDO ECP has been the Company's auditor for approximately 3 years. The resignation resulted from the Company seeking expressions of interest from other auditors in Victoria, with Crowe Horwath being considered as the firm which would best suit the Company's needs in the future.

The Company has been served with a notice of nomination from one of the Company's members nominating Crowe Horwath as the new Company auditor. A copy of the notice served on the Company is attached to this notice of AGM as Schedule 2. Crowe Horwath is a registered company auditor, has had previous experience in conducting audits of public listed companies, and is a well-known and respected firm. Crowe Horwath has consented to the appointment as auditor pursuant to Section 328A of the Corporations Act subject to this resolution being approved by shareholders at the meeting.

The Directors of the Company unanimously recommend that shareholders vote in favour of appointing Crowe Horwath as the Company's auditors.

If the resolution is not approved, there will be a vacancy in respect of the Company's auditor, which the Directors will be obliged to fill within one month in accordance with Section 327C of the Corporations Act.

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## 9. RESOLUTION 17 – APPROVAL OF 10% PLACEMENT FACILITY

### 9.1 General

Listing Rule 7.1A enables eligible entities to seek Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of \$58,291,280 as at 25 September 2019.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

The effect of Resolution 17 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1 or without Shareholder approval.

Resolution 17 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).

### 9.2 Description of Listing Rule 7.1A

#### (a) Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special 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) Formulae for calculating 10% Placement Facility

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

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that become fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under the 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.

### 9.3 Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

### 9.4 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which approval is obtained; or
- (b) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main understanding),

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

### 9.5 Specific Information required by Listing Rule 7.3A

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

- (a) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 19 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, 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 Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

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

The table also shows:

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

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.055 (50% decrease in current issue price)	\$0.11 (Current issue price)	\$0.22 (100% increase in current issue price)
529,920,733 (Current Variable A)	Shares issued – 10% voting dilution	52,992,073	52,992,073	52,992,073
	Funds raised	\$2,914,564	\$5,299,207	\$11,658,256
794,881,099 (50% increase in Variable A)	Shares issued – 10% voting dilution	79,488,109	79,488,109	79,488,109
	Funds raised	\$4,371,846	\$7,948,811	\$17,487,384
1,059,841,466 (100% increase in Variable A)	Shares issued – 10% voting dilution	105,984,146	105,984,146	105,984,146
	Funds raised	\$5,829,128	\$10,598,414	\$23,316,512

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 (including any Options issued under the 10% Placement Facility) are exercised into Shares 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 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 Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.011, being the closing price of the Shares on the ASX on 25 September 2019.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period.
- (d) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) non-cash consideration for the acquisition of new investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards sales and marketing of IODM products, ongoing technology development, corporate and administration and working capital.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities. 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 recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors set out in the Company's allocation policy, 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 security holders 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 recipients under the 10% Placement Facility have not been determined as at the date of this Notice 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 recipients under the 10% Placement Facility will be vendors of the new assets or investments.

The Company obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its previous annual general meeting held on 21 November 2018 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 21 November 2018, the Company otherwise issued a total of 70,456,484 Equity Securities which represents approximately 13.2% of the total diluted number of Equity Securities on issue in the Company on 21 November 2018, which was 459,464,249 which was 100% fully paid Ordinary shares.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

- (e) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.
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#### **ENQUIRIES**

Shareholders are required to contact the Company Secretary on +61 3 8396 5893 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Facility** has the meaning given in Section 6.1.

**10% Placement Period** has the meaning given in Section 6.4.

**AEDT** means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means IODM Limited (ABN 28 102 747 133).

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement to the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**Option** means an option which entitles the holder to subscribe for one Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

**Share** means a share in the Company.

**Shareholder** means a shareholder in the Company.

**VWAP** means volume weight average price.

**SCHEDULE 1 – ISSUE OF EQUITY SECURITIES SINCE 21 NOVEMBER 2018**

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
Issue and Appendix 3B – 10 December 2018	6,153,846	Fully paid ordinary shares <sup>2</sup>	Conversion of funding provided under convertible loan facility (standby facility) into equity	\$0.013	Cash = \$80,000
Issue and Appendix 3B – 28 December 2018	29,700,009	Fully paid ordinary shares <sup>2</sup>	Share Placement	\$0.015	Cash = \$445,500
Issue and Appendix 3B – 14 January 2019	24	Fully paid ordinary shares <sup>2</sup>	Automatic conversion of performance shares due to milestones not being met for Classes E – G by 31 Dec 2018	N/A	\$ Nil
Issue and Appendix 3B – 18 February 2019	3,600,000	Fully paid ordinary shares <sup>2</sup>	Share Placement Directors	\$0.015	Cash = \$54,000
Issue and Appendix 3B – 29 March 2019	450,000	Fully paid ordinary shares <sup>2</sup>	Conversion of options	\$0.04	Cash = \$18,000
Issue and Appendix 3B – 30 April 2019	14,800,000	Fully paid ordinary shares <sup>2</sup>	Share Placement	\$0.028	Cash = \$414,700
Issue and Appendix 3B – 4 July 2019	12,252,605	Fully paid ordinary shares <sup>2</sup>	Share Placement	\$0.051	Cash = \$624,883
Issue and Appendix 3B – 5 September 2019	1,500,000	Fully paid ordinary shares <sup>2</sup>	Conversion of options	\$0.0175	Cash = \$26,250
Issue and Appendix 3B – 10 September 2019	2,000,000	Fully paid ordinary shares <sup>2</sup>	Conversion of options	\$0.0175	Cash = \$35,000

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table any discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: IOD (terms are set out in the Constitution).

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**SCHEDULE 2 – NOTICE OF AUDITOR NOMINATION**

7 October 2019

The Board  
IODM Limited  
Level 5, 22 Albert Road  
South Melbourne, VIC, 3205

Dear Sirs,

**NOMINATION OF AUDITOR**

I, Mark Reilly, as CEO and Shareholder of IODM Limited hereby nominate, pursuant to section 328B of the Corporations Act (Cth) 2001, Crowe Horwath for appointment of auditors of IODM Limited at the company's next Annual General Meeting or any adjournment thereof.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Mark Reilly', with a stylized, cursive script.

Mark Reilly



#### All Correspondence to:

-  **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
-  **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00 am (AEDT) on Tuesday 19 November 2019.**

### TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/iodagm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

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

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00 am (AEDT) on Tuesday 19 November 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **Online** <https://www.votingonline.com.au/iodagm2019>
-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

**Your Address**  
 This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.  
**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **IODM Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Gadens, Level 25/600 Bourke St, Melbourne VIC 3000 on Thursday, 21 November 2019 at 11:00 am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 5, and 12-15, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 5 and 12-15 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 5 and 12-15). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**  
 \* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

	FOR	AGAINST	ABSTAIN*		FOR	AGAINST	ABSTAIN*
<b>Res 1</b> Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 10</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 2</b> Election of a Director – Mr Anthony Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 11</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 3</b> Election of a Director – Mr Brian Jamieson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 12</b> Approval of Issue of Employee Share Options to Mr Mark Reilly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 4</b> Re-election of a Director – Mr David Ireland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 13</b> Approval of Issue of Employee Share Options to Dr Paul Kasian	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 5</b> Increase in Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 14</b> Approval of Issue of Employee Share Options to Mr Anthony Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 6</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 15</b> Approval of Issue of Employee Share Options to Mr Brian Jamieson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 7</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 16</b> Appointment of Auditor to Fill a Vacancy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 8</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 17</b> Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 9</b> Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

**STEP 3 SIGNATURE OF SECURITYHOLDERS**  
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Sole Director and Sole Company Secretary	Securityholder 2 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director	Securityholder 3 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director / Company Secretary
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