

Netlinkz Chairman's Update

Dear Shareholder,

I would like to take the opportunity to provide you with a progress report of the Company's activity in China. The partnership with China Telecom continues to evolve with our product becoming a core part of the China Telecom cloud strategy. Netlinkz's VIN is now in the top 5 product promotion for China Telecom in the Jiangsu Province. The continuing sales of the VIN in the new district city of Wuxi, serves as validation of our product to China Telecom.

We are in the process of rolling out in two new cities which are significantly larger than Wuxi. Deployment partners will be critical to the sales process. For Suzhou we have entered into a deployment partnership with Suzhou Fu Ju Cloud Technology Co. Suzhou Fu Ju Cloud Technology Co manages the largest Wi-Fi network in Suzhou and has an extensive team of engineers with a large call centre capable of dealing with hundreds of thousands of calls daily.

In Nanjing we are discussing with China Telecom the possibility of integrating the VSP and VIN into the CRM system therefore becoming part of their operating platform. Whilst this is a significant opportunity, the Company has to go through a number of test harness' to pass the various security requirements. We are confident of passing these tests as we have with all other tests China Telecom has conducted.

Below is a summary of our activity in China

- The first phase of product development is coming to completion. Our team of developers have successfully worked with China Telecom
- VIN sales continue to accrue daily in the initial limited target area with numbers currently exceeding over 7,000 VINs as at the time of this update.
- Our Tech team is developing a deployment strategy to permit end user installation to be as seamless as possible by programming alternative instructions for diverse operating and virus protection systems.
- Mass deployment in Wuxi is to follow. to include 9 other districts in Wuxi
- A Deployment agreement has been signed with our Suzhou partner paving the way for China Telecom Suzhou to be the next city in the Jiangsu Province to start selling the product, utilising the strategies developed in Wuxi.
- China Telecom Nanjing will follow.



- China Telecom Nanjing has also indicated its intention to incorporate the Netlinkz software into the City Cloud Software. China Telecom Najing has an existing customer base of 50 million users. This is a significant development.
- Revenue is accruing with Netlinkz expecting 150,000 rmb for the March quarter as payment for VIN sales in the limited initial sales area. This is recurring , and growing, revenue.
- VIN sales exceeding 7000 as at the end of April 2018.

Over the next 18 months the product will be deployed to the remaining 11 cities in Jiangsu Province. This is an ambitious timetable set by China Telecom that highlights the importance of the cloud services roll. In September of 2017, the Chinese government mandated China Telecom Jiangsu to migrate 100,000 companies (with IT Capex of greater than 500,000 RMB pa) to Cloud.

The Company has been approached by strategic investors wanting to discuss the investment of capital to grow the opportunities for the Company in China and explore other markets to sell our product.

China is a significant opportunity and will continue to be our focus. Other market opportunities will be explored with established resellers such as Blue Tech in San Diego California. Blue Tech is the fourth largest federal government reseller with turnover exceeding USD300m.

Enclosed are a number of resolutions that require your review and approval. A number of people and organisations have been responsible for the Company's turn around, and more importantly, have allowed the Company to take the opportunity that has developed in China. These people and organisations have taken significant risks in the last 18 months and the directors believe these are fair rewards for the effort and risks taken.

**James Tsiolis
Chairman and CEO**

*****ENDS*****

About NetLinkz Limited

NetLinkz provides secure and efficient cloud network solutions. The company's technology makes Fortune-500 security commercially available for organizations of all sizes. NetLinkz has received numerous industry awards for its technology, including being a worldwide winner of the Global Security Challenge.

NETLINKZ LIMITED

ACN 141 509 426

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

*General Meeting to be held at Level 40, 161 Castlereagh Street, Sydney NSW 2000
on 6 June 2018 commencing at 10:00 am (AEST).*

*This Notice of General Meeting and Explanatory Memorandum should be read in its entirety.
If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor
or other professional adviser without delay.*

Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Netlinkz Limited will be held at Level 40, 161 Castlereagh Street, Sydney NSW 2000 on 6 June 2018 commencing at 10:00 am (AEST).

Business Agenda

1. Resolution 1 – Election of Mr John Galt as a Director

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

"That, Mr John Galt, who was appointed as a Director on 7 November 2017 and who is retiring in accordance with the Constitution, and who offers himself for re-election, is re-elected as a Director of the Company."

2. Resolution 2 – Election of Mr David O'Dowd as a Director

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

"That, Mr David O'Dowd, who was appointed as a Director on 14 November 2017 and who is retiring in accordance with the Constitution, and who offers himself for re-election, is re-elected as a Director of the Company."

3. Resolution 3 – Election of Mr Peter Apostolopoulos as a Director

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

"That, Mr Peter Apostolopoulos, who was appointed as a Director on 22 December 2017 and who is retiring in accordance with the Constitution, and who offers himself for re-election, is re-elected as a Director of the Company."

4. Resolution 4 – Issue of Options to Mr John Galt

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 10.11 and for all other purposes, approval be given for the issue to Mr John Galt of 10,000,000 Options on the terms described in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of John Galt or an associate of John Galt.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

5. Resolution 5 – Issue of Options to Mr David O’ Dowd

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 10.11 and for all other purposes, approval be given for the issue to Mr David O’Dowd of 10,000,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of David O’Dowd or an associate of David O’Dowd.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

6. Resolution 6 – Issue of Options to Mr Peter Apostolopoulos

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 10.11 and for all other purposes, approval be given for the issue to Mr Peter Apostolopoulos of 10,000,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of Peter Apostolopoulos or an associate of Peter Apostolopoulos.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

7. Resolutions 7A, 7B, 7C and 7D – Approval of the issue of shares to Directors in satisfaction of fees outstanding

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

7A *“That for the purposes of ASX Listing Rule 10.11 and all other purposes, approval be given for the issue of 1,874,998 fully paid ordinary shares to Mr John Galt on the terms described in the Explanatory Memorandum.”*

7B *“That for the purposes of ASX Listing Rule 10.11 and all other purposes, approval be given for the issue of 1,874,998 fully paid ordinary shares to Mr David O’Dowd on the terms described in the Explanatory Memorandum.”*

7C *“That for the purposes of ASX Listing Rule 10.11 and all other purposes, approval be given for the issue of 1,499,998 fully paid ordinary shares to Mr Peter Apostolopoulos on the terms described in the Explanatory Memorandum.”*

7D *“That for the purposes of ASX Listing Rule 10.11 and all other purposes, approval be given for the issue of 5,624,996 fully paid ordinary shares to Mr Robert Turner on the terms described in the Explanatory Memorandum.”*

Voting exclusion statement Resolution 7A

The Company will disregard any votes cast in favour of the resolution by or on behalf of John Galt or an associate of John Galt.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Voting exclusion statement Resolution 7B

The Company will disregard any votes cast in favour of the resolution by or on behalf of David O'Dowd or an associate of David O'Dowd.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Voting exclusion statement Resolution 7C

The Company will disregard any votes cast in favour of the resolution by or on behalf of Peter Apostolopoulos or an associate of Peter Apostolopoulos.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Voting exclusion statement Resolution 7D

The Company will disregard any votes cast in favour of the resolution by or on behalf of Robert Turner or an associate of Robert Turner.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

8. **Resolution 8 – Approval for the issue of Options to Lender under the Funding Agreement**

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval be given to issue the Options to QMAC Capital Security LLC the Lenders pursuant to the terms of the QMAC Funding Agreement on the terms described in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of QMAC Capital Security LLC or an associate of QMAC Capital Security LLC. The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

9. **Resolution 9 – Approval for the issue of Shares to Lender for repayment of Loans**

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 105,963,846 Shares to SCM Absolute Return International Equity Trust (the Lender) in repayment of Loans on the terms described in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of SCM Absolute Return International Equity Trust or an associate of SCM Absolute Return International Equity Trust.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

10. Resolution 10A and 10B – Ratification of prior issue of Securities Listing Rule 7.1 and 7.1A

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

10A *“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the prior issue by the Company of 88,418,275 shares and 35,285,000 options pursuant to Listing Rule 7.1 to institutional and sophisticated investors in Australia and certain other jurisdictions on the terms described in the Explanatory Memorandum be ratified.”*

10B *“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the prior issue by the Company of 83,950,332 shares pursuant to Listing Rule 7.1A to institutional and sophisticated investors in Australia and certain other jurisdictions on the terms described in the Explanatory Memorandum be ratified.”*

Voting exclusion statement Resolution 10A

The Company will disregard any votes cast in favour of the resolution by or on behalf of a person who participated in the relevant issue or an associate of a person who participated in the relevant issue.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Voting exclusion statement Resolution 10B

The Company will disregard any votes cast in favour of the resolution by or on behalf of a person who participated in the relevant issue or an associate of a person who participated in the relevant issue.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

11. Resolution 11 – Approval for the issue of Options under prior issue of Securities

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 7.1 and for all other purposes, approval is given for the Company to issue 66,746,806 Options under placements to institutional and sophisticated investors in Australia and certain other foreign jurisdictions on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

12. Resolution 12 – Issue of Shares and Options to Mr James Tsiolis

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 10.11 and for all other purposes, approval be given for the issue to Mr James Tsiolis of 46,250,000 Shares and 5,625,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of James Tsiolis or an associate of James Tsiolis.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

13. Resolution 13 – Issue of Shares and Options to Mr Robert Turner

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 10.11 and for all other purposes, approval be given for the issue to Mr Robert Turner of 25,000,000 Shares and 10,000,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of Robert Turner or an associate of Robert Turner.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

14. Resolution 14 – Issue of Shares and Options to Mr Peter Apostolopoulos

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 10.11 and for all other purposes, approval be given for the issue to Mr Peter Apostolopoulos of 12,000,000 Shares and 6,000,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of Peter Apostolopoulos or an associate of Peter Apostolopoulos.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

15. Resolution 15 – Issue of Options to Consultant

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 7.1 and for all other purposes, approval be given for the issue to Jack Grubman of 10,000,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of Jack Grubman or an associate of Jack Grubman. The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

16. Resolution 16 – Issue of Shares and Options to Service Provider

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 7.1 and for all other purposes approval is given for the Company to issue to GDM Services Pty Ltd, 3,410,542 shares and 12,190,438 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of GDM Services Pty Ltd or an associate of GDM Services Pty Ltd. The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

17. Resolution 17 – Issue of Options to Adviser

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 7.1 and for all other purposes approval is given for the Company to issue to RM Corporate Finance Pty Ltd of 7,500,000 Options on the terms described in the Explanatory Memorandum.”

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of RM Corporate Finance Pty Ltd or an associate of RM Corporate Finance Pty Ltd. The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

18. Resolution 18A and 18B – Issue of Options to Advisers Listing Rule 7.1 and 10.11

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

18A “That for the purposes of ASX Listing Rule 7.1, and for all other purposes approval is given for the Company to issue to Peloton Capital Pty Ltd of 14,000,000 Options on the terms described in the Explanatory Memorandum.’

18B “That for the purposes of ASX Listing Rule 10.11 and for all other purposes approval is given for the Company to issue to Strategic Capital Management Ltd of 6,000,000 Options on the terms described in the Explanatory Memorandum.’

Voting exclusion statement Resolution 18A

The Company will disregard any votes cast in favour of the resolution by or on behalf of Peloton Capital Pty Ltd or an associate of Peloton Capital Pty Ltd. The Company will disregard any votes cast in favour of the resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Voting exclusion statement Resolution 18B

The Company will disregard any votes cast in favour of the resolution by or on behalf of Strategic Capital Management Ltd or an associate of Strategic Capital Management Ltd.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

19. Resolution 19 – Approval for the issue of Shares and Options to Adviser

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, the issue by the Company of Shares and Options to Strategic Capital Management Ltd on the terms and conditions set out in the Explanatory Memorandum be approved."

Voting exclusion statement

The Company will disregard any votes cast in favour of the resolution by or on behalf of Strategic Capital Management Ltd or an associate of Strategic Capital Management Ltd.

However, the Company need not disregard any vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or 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.

Explanatory Memorandum

The accompanying Explanatory Memorandum forms part of this Notice of General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice of General Meeting and the Explanatory Memorandum.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 7:00pm (AEST) on 4 June 2018. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

Enquiries

Shareholders may contact the Company on (02) 9285 1300 if they have any queries in respect of the matters set out in these documents.

Proxy return (Please refer to the following proxy return instructions on the enclosed proxy form)

Online:

At www.investorvote.com.au

By Mobile:

Scan the QR Code on your Proxy form and follow the prompts

By Mail to:

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

By Facsimile Transmission to:

1800 783 447 (within Australia)
or
+61 3 9473 2555 (outside
Australia)

Custodian Voting

For Intermediary Online subscribers only
(custodians) please visit
www.intermediaryonline.com to submit your
voting intentions.

By Order of the Board of Directors

Greg MacMillan

Company Secretary

Dated this 30 April 2018

Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

This Explanatory Memorandum should be read in conjunction with the Notice of General Meeting.

Capitalised terms in this Explanatory Memorandum are defined in the Glossary.

1. Resolution 1 – Election of Mr John Galt

The Company's Constitution provides the Board may at any time appoint any person to be a Director provided that the total number of Directors does not exceed 10 (**Additional Director**). Clause 58.1 of the Company's Constitution and ASX Listing Rule 14.4 also provides each Additional Director appointed during the year is to hold office until the next general meeting and is then eligible for election as a Director of the Company.

Mr John Galt was appointed an Additional Director of the Company on 7 November 2017 and has since served as a Director of the Company.

Under this Resolution, Mr Galt seeks election at this General Meeting.

John Galt has over 25 years of experience across various industries including, cyber, critical infrastructure, healthcare, finance and security. Mr Galt is currently the Managing Principal at Whitehorse Technologies, Vice Chairman of the Board of Continuum Healthcare Technologies and Founding Partner of Altcess Funding. Mr Galt also founded the Galt Corporation, which developed over 100 projects in the U.S in the fields of security, energy and critical infrastructure.

Mr Galt was the Founder, Chairman and CEO of GreenHouse, an energy, critical infrastructure and cyber security firm that went on to merge with Premier Alliance Group. The combined company, that is now called root9b Technologies, is ranked as the #1 Cybersecurity company in the U.S by Cybersecurity Ventures.

Mr Galt is the past CEO and now current Vice Chairman of the Board of Naval Special Warfare Family Foundation as well as a member of the Board of Directors for the U.S Wrestling Foundation.

Directors' recommendation

The Directors (excluding Mr Galt) recommended that Shareholders vote for this Resolution.

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

2. Resolution 2 – Election of David O'Dowd

Mr O'Dowd was appointed an Additional Director of the Company on 14 November 2017 and has since served as a Director of the Company.

Under this Resolution, Mr O'Dowd seeks election at this General Meeting.

David O'Dowd was first admitted as a solicitor over 30 years ago and has practiced as a barrister for over 25 years. He has advised Directors of public companies in relation to commercial transactions and regulatory and compliance matters. He has also practiced extensively in commercial law. He has assisted companies in capital raising both as an advisor and investor.

Mr O'Dowd will bring to the Board both commercial and compliance expertise as well as practical legal experience.

Directors' recommendation

The Directors (excluding Mr O'Dowd) recommended that Shareholders vote for this Resolution.

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

3. Resolution 3 – Election of Peter Apostolopoulos

Mr Peter Apostolopoulos was appointed an Additional Director of the Company on 22 December 2017 and has since served as a Director of the Company.

Under this Resolution, Mr Apostolopoulos seeks election at this General Meeting.

Peter has an MBA from the AGM UNSW and since graduating in 1988, has extensive experience in Corporate Strategy, Advisorial, Investment Banking and Funds Management. During that time Peter has developed a strong track record of success as a founder and business owner as well as a senior executive in a number of multi-national organisations.

In 1998, Peter established and was Managing Director and Chief Investment Officer at Alpha Investment Management, which he grew to funds under management of AUD\$4 billion in a joint venture with Babcock and Brown. In 2006, Peter founded Agora Asset Management a business which now focuses on direct investment, advisorial and private equity.

Directors' recommendation

The Directors (excluding Mr Apostolopoulos) recommended that Shareholders vote for this Resolution.

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

4. Resolutions 4, 5 and 6 – Issue of Options to John Galt, David O'Dowd and Peter Apostolopoulos

Background

On 19 March 2018, the Board which undertakes the role of the Company's Remuneration and Nomination Committee (as the Company has not established a separate Remuneration and Nomination Committee) approved the issue to each of John Galt, David O'Dowd and Peter Apostolopoulos (the Directors) of 10,000,000 Options exercisable at \$0.02 and expiring 3 years after the date of issue under an appointment agreement with the Company as part of the Directors remuneration package, subject to Shareholder approval.

The number of Options to be issued to Mr Galt, Mr O'Dowd and Mr Apostolopoulos has been determined by the Company having regard to their respective experience and background. The exercise price of the Options has been determined by the Company at the time of their appointment in November and December 2017 having regard to the unrelated party capital raisings undertaken at the time at \$0.02 per share. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options. The Company has determined that the value of 10,000,000 Options the subject of this Resolution 4, 5, and 6, being \$245,351 for each Director, based on the Black Scholes model, is a reasonable incentive in the circumstances.

The financial benefit being given for the issue of the Options to each of John Galt, David O'Dowd, and Peter Apostolopoulos as a related party of the Company will be given as part of the Directors appointment and remuneration package and the Company is of the opinion it is reasonable and appropriate having regard to the circumstances of the Company and the Directors duties and responsibilities.

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Accordingly, Shareholder approval is sought for the issue of the 10,000,000 Options to each of John Galt, David O'Dowd and Peter Apostolopoulos, the directors of the Company.

Approval of this Resolution will result in these Options falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares to each of John Galt, David O'Dowd and Peter Apostolopoulos will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the Options will be issued to Mr John Galt 10,000,000 Options, Mr David O'Dowd 10,000,000 Options, and Mr Peter Apostolopoulos 10,000,000 Options as Non-Executive Directors of the Company;
- the maximum number of Options to be issued is 30,000,000;
- the Options will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Options is nil, each Option is exercisable at \$0.02 and expiring 3 years after the date of issue;
- the Shares issued as a result of the exercise of the Options issued to the Directors on the exercise of the Options will rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- the funds from the exercise of the Options will be used for general working capital purposes; and
- the relevant voting exclusion statement is set out in Resolution 4, 5, and 6 of the Notice of Meeting.

The terms of the Options to be issued to the Directors are set out in Annexures 1A and 1F.

Should a Director engagement with the Company cease before the first anniversary of the date of grant of the Options, all Options will lapse unless otherwise agreed by the Board (the Board would consider exercising its discretion in favour of a Director in circumstances such as redundancy, ill-health, dismissal (other than for reasons of performance or cause) or resignation with the prior agreement of the Board). Should a Director engagement with the Company cease in after the first anniversary of, and prior to the third anniversary of, the date of grant of the Options, the Director will only be entitled to those Options which have vested as at the date of his cessation of engagement with the Company.

Directors' Recommendation

The Board (with Mr John Galt abstaining in respect of Resolution 4, Mr David O'Dowd abstaining in respect of Resolution 5, and Mr Peter Apostolopoulos abstaining in respect of Resolution 6) recommends Shareholders vote in favour of these Resolutions.

The Chairman of the meeting intends to vote undirected proxies in favour of these Resolutions.

4. Resolutions 7A, 7B, 7C and 7D – Approval of the issue of shares to Directors in satisfaction of fees outstanding

Background

For the months set out in the table below, the non-executive Directors have not been paid fees pursuant to their Director appointment agreement. Pursuant to their Directors appointment agreement Non-Executive Directors are to be paid directors fees of \$90,000 per annum. The issue price of the Shares has been determined by the Company having regard to the unrelated party capital raisings undertaken in November December 2017 and January and March 2018 at \$0.02 per share. The Board has resolved to issue fully paid ordinary shares to Directors in lieu of outstanding directors fees. The shares to be issued to Directors are set out in the following table:

Director and Period	Outstanding fees for the period	Issue price	Shares to be issued
John Galt (November 2017 to March 2018)	\$37,500	\$0.02	1,874,998
David O’Dowd (November 2017 to March 2018)	\$37,500	\$0.02	1,874,998
Peter Apostolopoulos (December 2017 to March 2018)	\$30,000	\$0.02	1,499,998
Robert Turner (February 2017 to March 2018, September 2016)	\$112,500	\$0.02	5,624,996
Total	\$217,500		10,874,990

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Accordingly, Shareholder approval is sought for the issue of up to 10,874,990 shares, at the issue price of \$0.02 per share (as outlined above) to Mr John Galt, Mr David O’Dowd, Mr Peter Apostolopoulos, and Mr Robert Turner, the directors of the Company.

Approval of this Resolution will result in these Options falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares to each of John Galt, David O’Dowd, Mr Peter Apostolopoulos, and Mr Robert Turner will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the Shares will be issued to Mr John Galt up to 1,874,998 shares, Mr David O’Dowd up to 1,874,998 shares, Mr Peter Apostolopoulos up to 1,499,998 shares, and Mr Robert Turner up to 5,624,996 shares as Non-Executive Directors of the Company;
- the maximum number of Shares to be issues is 10,874,990 fully paid ordinary shares in the capital of the Company;
- the shares will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Shares is \$0.02 per share;
- the Shares issued will rank equally in all respects with other existing fully paid ordinary shares in the capital of the Company;

- as the Shares are being issued in lieu of Directors fees, there are no proceeds from the issue of the Shares; and
- the relevant voting exclusion statement is set out in Resolution 7A, 7B, 7C and 7D of the Notice of Meeting.

Directors' Recommendation

The Board (with Mr John Galt abstaining in respect of Resolution 7A, Mr David O'Dowd abstaining in respect of Resolution 7B, Mr Peter Apostolopoulos abstaining in respect of Resolution 7C, and Mr Robert Turner abstaining in respect of Resolution 7D) recommends Shareholders vote in favour of these Resolutions.

The Chairman of the meeting intends to vote undirected proxies in favour of these Resolutions.

5. Resolution 8 – Approval of the Issue of Options to Lender under the Funding Agreement

Background

On 6 June 2017, Netlinkz announced an equity subscription arrangement with QMAC Capital International Partners LP (QMAC) pursuant to which QMAC agreed to subscribe for fully paid Netlinkz ordinary shares ("Shares") in 2 tranches, the second of which was subject to shareholder approval. The issue of the Tranche 1 Shares was partially completed when Netlinkz and QMAC agreed to cancel the equity subscription and restructure the arrangements into a secured 3 year debt facility, which will be provided to Netlinkz by a special purpose finance trust established by QMAC (Lender Trust)(QMAC Funding Facility). 38,875,000 Shares were issued as part of the Tranche 1 subscription (refer Appendix 3B dated 5 July 2017) and are subject to voluntary escrow until the earlier of the date which is 12 months after the date of issue of the Tranche 1 subscription Shares or the date on which the Company issues a prospectus covering such Shares in accordance with the requirements of section 713 of the Corporations Act 2001 (Cth).

The restructure of the arrangements with QMAC was agreed to manage the dilutionary effects of the capital raising with Netlinkz forming the view that a secured debt facility provided a better commercial outcome for all shareholders.

On 23 August 2017 Netlinkz announced the details and terms of the QMAC Funding Facility. The Facility is a US\$7,500,000 3 year debt facility which is secured over the assets of Netlinkz and its subsidiaries, Netlinkz Technology Pty Limited and Netlinkz Global Pty Limited (Group). The Facility will carry interest at 8% payable on maturity (being the date which is 3 years after the provision of the Facility to the Company).

In consideration of arranging the provision of the Facility, QMAC is to receive options over Netlinkz Shares (Options) equivalent to 50% of the Facility. Each Option will have an exercise price of \$0.02 and will be immediately exercisable and will expire on loan maturity being 23 August 2020. The Options provide QMAC with an upside value sharing device and also provide additional funding of US\$3,750,000 to Netlinkz if the Options are exercised at any time prior to maturity of the Facility. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

The Shares issued on exercise of any Options granted to QMAC will be subject to voluntary escrow until the earlier of the date which is 12 months after the date of issue of the Shares or the date on which the Company issues a prospectus covering such Shares in accordance with the requirements of section 713 of the Corporations Act 2001 (Cth).

QMAC will provide a US\$7,500,000 unsecured loan facility to the Lender Trust to enable it to enter into a loan and subscription agreement with Netlinkz (and subsequent loan tranches will also be made through this facility). The Lender Trust accepted transfer of the 38,875,000 Shares already issued as part of the initial Tranche 1 subscription by QMAC and received 35,285,000 Options from Netlinkz from its available Listing Rule 7.1 placement capacity. The 35,285,000 Options have an exercise price of \$0.02 and an expiry date of 24 August 2020 (refer to Appendix 3B dated 28 August 2017).

The 38,875,000 Shares and 35,285,000 Options that have been issued for part of and are to be offset against the total number of Options pursuant to the Facility. The Shares (together with any Shares issued on exercise of any Options granted to QMAC) will be subject to voluntary escrow until the earlier of the date which is 12 months after the date of issue of the relevant Shares or the date on which the Company issues a prospectus covering such Shares in accordance with the requirements of section 713 of the Corporations Act.

The Facility provides Netlinkz with access to debt funding to complete the restructure of the balance sheet and meet marketing, development and product roll-out costs with a clear 3-year runway without debt amortisation or interest requirements enabling cash flow to be freed up to grow the business. The Facility does not contain any financial ratios or covenants. The Facility is repayable in full at the end of the 3-year term.

The parties have entered into finance documents, including all assets security to be granted by the Group companies in favour of QMAC Capital Security LLC as security trustee (Security Trust). The security trust structure enables other secured financings to be effected on an efficient basis.

As at the date of this Notice of Meeting US\$974,750 has been drawn down of the Facility, a condition to the drawdown of the balance of the funds under the facility is the issue of the Options pursuant to this Resolution.

The funds raised under the Facility will be used to continue Netlinkz's future operations and business objectives, to pay outstanding creditors and borrowings, and for general working capital purposes.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without Shareholder approval and subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than the amount that represents 15% of the total number of fully paid ordinary securities on issue at the commencement of that 12 month period. Accordingly, Shareholder approval is sought for the issue of the Options to QMAC Capital Security LLC.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Securities proposed to be issued under this resolution will be "equity securities" for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to the Resolution.

The maximum number of Options to be issued

As at the date of this Notice of Meeting the maximum number of Options to be issued to the Lender pursuant to Facility is not yet known. The number of Options to be issued are to be calculated by taking 50% of the face value of the Facility being US\$7,500,000 converted to A\$ on the date of Shareholder approval of this resolution and dividing the A\$ equivalent by \$0.02. The number of Options to be issued to the Lender pursuant to the Facility will be dependent on the A\$:US\$ exchange rate on the date of approval.

As at the date of this Notice of Meeting US\$971,750 has been drawn down on the Facility and the number of Options to be issued following shareholder approval will be based on this amount using the calculation basis above. The number of Options calculated to be issued will be reduced by the 38,875,000 Shares and 35,285,000 Options previously issued to equate to the number of options to be issued following this resolution.

The remaining Options to be issued under the total facility will be calculated and issued following subsequent drawdown of funds under the Facility and calculated on the above basis.

The following table includes an estimate of the Options to be issued using assumed A\$:US\$ exchange rates as at the date of this Notice of Meeting.

A\$:US\$ exchange rate assumption	Date of Notice US\$0.75	Date of Notice US\$0.77	Date of Notice US\$0.80
QMAC Funding Facility US\$	US\$7,500,000	US\$7,500,000	US\$7,500,000
QMAC Funding Facility drawn down A\$ estimate	A\$10,000,000	A\$9,740,260	A\$9,375,000
Total Options per QMAC Funding Facility assuming fully draw down	250,000,000	243,506,494	234,370,000
Less Options and Shares already issued	74,160,000	74,160,000	74,160,000
Total estimated Options to be issued	175,840,000	169,346,494	160,215,000

The issue price of the Options and terms of the issue

The issue price of each Option will be Nil, exercisable at \$0.02 per Option and an expiry date of 23 August 2020.

The terms of the Options

The terms of the Options to be issued to QMAC are set out in Annexures 1B and 1F.

Shares issued on exercise of the Options will rank equally in all respects with the Company's existing Shares as at the date of their issue.

Names of the allottee

The Options are to be issued to QMAC Capital Security LLC.

Intended use of the funds raised from the issue

The Options are to be issued pursuant to the terms of the QMAC Funding Facility. As such, the Options will be granted for nil consideration and no funds will be raised as a result. The funds raised under the Facility will be used to continue Netlinkz future operations and business objectives, to pay outstanding creditors and borrowings, and for general working capital purposes.

Date of allotment

The Options due to be allotted based on the above calculation of the loan draw down as at the date of the meeting will be allotted progressively within 3 months after Shareholder approval is granted under Resolution 8.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 8 of the Notice of Meeting.

Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution. This will allow the Company to drawdown the remaining funds under the QMAC Funding Facility and issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

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

6. Resolution 9 – Approval of the Issue of Shares to Lender for repayment of Loans

Background

On 23 August 2017 Netlinkz announced the details of various loans acquired and loan funding provided by Strategic Capital Management Ltd as responsible entity of the SCM Absolute Return International Equity Trust (ARIE Trust).

ARIE Trust have agreed to convert the debt and interest on the loans outstanding into Shares, subject to shareholder approval, on the terms set out in this explanatory memorandum.

Convertible Notes

ARIE Trust has acquired convertible notes issued by Netlinkz with a face value of \$218,750 (see Annual Financial Report announcement 3 October 2016). In June 2017 ARIE Trust notified the Company that it agreed to exercise its rights to convert the convertible notes into Shares, subject to shareholder approval, in accordance with the terms of the convertible note.

Under the terms of the convertible notes, Shares are to be issued at a 10% discount to 5 day VWAP. The ARIE Trust had agreed a conversion price of \$0.014 per Share, based on Netlinkz Share price at the time of confirmation of the conversion agreement in June 2017.

As at 31 March 2018 the principal and interest outstanding will be \$240,625 to be repaid by the issue of 17,572,774 shares at \$0.014 in accordance with the formula prescribed in the convertible notes.

ARIE Trust Debt acquisition

ARIE Trust has acquired \$875,000 of the long-term debt of the Company (see Annual Financial Report announcement 3 October 2016). In July 2017 ARIE Trust notified the Company it agreed to convert the principal long-term debt and outstanding interest into ordinary shares in the Company, subject to shareholder approval. ARIE Trust agreed to convert the long-term debt on the same terms as the convertible notes at \$0.014 per share. As at 31 March 2018 the principal and interest outstanding will be \$906,668 to be repaid by the issue of 64,762,008 shares

ARIE Loans

ARIE Trust has provided Other Loans with a face value of \$295,000 in April 2017 and has agreed to convert the principal loan and outstanding interest into ordinary shares in the Company, subject to shareholder approval. ARIE Trust agreed to convert the loan on the same terms as the convertible notes at \$0.014 per share. As at 31 March 2018 the principal and interest outstanding will be \$329,474 to be repaid by the issue of 23,533,857 shares.

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Mr James Tsiolis and Mr Peter Apostolopoulos are directors of Strategic Capital Management Ltd which is the responsible entity of the SCM Absolute Return International Equity Trust. Accordingly, Shareholder approval is sought for the issue of up to 105,963,846 Shares, at the issue price of \$0.014 per share to satisfy \$1,483,494 debt (as outlined above) to Aire trust.

Approval of this Resolution will result in these Shares falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares to Aire Trust will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the Shares will be issued to Strategic Capital Management Ltd which is the responsible entity of the SCM Absolute Return International Equity Trust;
- the maximum number of Shares to be issued is 105,963,846 fully paid ordinary shares in the capital of the Company;
- the shares will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Shares is \$0.014 per share;
- the Shares issued will rank equally in all respects with other existing fully paid ordinary shares in the capital of the Company;
- as the Shares are being issued in satisfaction of \$1,483,494 debt owed, there are no proceeds from the issue of the Shares; and
- the relevant voting exclusion statement is set out in Resolution 9 of the Notice of Meeting. James Tsiolis and Peter Apostolopoulos are Directors of the Company and also directors of Strategic Capital Management Ltd which is the responsible entity of the SCM Absolute Return International Equity Trust, they are therefore associates and any votes cast by them or an associate of theirs will be excluded.

Directors' Recommendation

The Board (with Mr James Tsiolis and Mr Peter Apostolopoulos abstaining) recommends Shareholders vote in favour of these Resolutions.

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

7. Resolution 10A and 10B – Ratification of prior issues of Securities Listing Rule 7.1 and 7.1A

Background

On 30 November, 15 and 21 December 2017, 12 January and 7 March 2018, the Company announced that it had completed in total placements of 133,493,607 Shares to institutional and sophisticated investors in Australia and certain other foreign jurisdictions (Investors) at an issue price of A\$0.02 per Share to raise \$2,683,196 (Placement).

On 30 June 2017 and 5 July 2017, the Company announced that it had completed a placement of 38,875,000 Shares at an issue price of A\$0.02 per Share to raise \$777,500, and on 28 August 2017 the Company announced that it had issued 35,285,000 Options exercisable at \$0.02 per Option and an expiry date of 23 August 2020 issued pursuant to the QMAC Funding facility (refer to Resolution 8 Explanatory Memorandum).

Pursuant to Resolution 10A and 10B, the Company is seeking the ratification by the Shareholders of the issue of the above Shares and Options previously issued.

ASX Listing Rules

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company and Listing 7.1A allows the Company to issue new shares up to 10% of the existing capital of the Company in any 12 month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The Placement Shares issued under the Placement were within these limitations.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rules 7.1 and 7.1A if the issue did not breach ASX Listing Rules 7.1 or 7.1A at the time and shareholders subsequently approve it. As the issue of the Placement Shares and the QMAC Funding Facility Shares and Options were within the Company's ASX Listing Rule 7.1 and ASX Listing Rule 7.1A placement capacity and was not previously approved by Shareholders. Accordingly, Shareholder approval is sought for the ratification of the issue of the Placement Shares and the QMAC Funding Facility Shares and Options pursuant to ASX Listing Rule 7.4.

If Resolution 10A and 10B are approved, the prior issue of the Placement Shares and the QMAC Funding Facility Shares and Options may be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Company will therefore be able to issue additional equity securities without the Placement Shares the subject of this Resolution 10 counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 and the 10% threshold for the purposes of ASX Listing Rule 7.1A.

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.5 the following information is provided in relation to Resolution 10A - Listing Rule 7.1:

Number of securities issued

A total of 49,543,275 Placement Shares, 38,875,000 QMAC Funding Facility Shares, and 35,285,000 QMAC Funding Facility Options were issued under ASX Listing Rule 7.1.

The issue price of the securities

The Placement Shares and the QMAC Funding Facility Shares were issued at an issue price of A\$0.02 per Share, the QMAC Funding Facility Options were issued for \$nil.

The terms of the securities

Each Placement Share and QMAC Funding Facility Share were issued on the same terms and ranked equally with the existing Shares in the Company as at the date of their issue, the QMAC Funding Facility Options were issued exercisable at \$0.02 per Option and an expiry date of 23 August 2020.

Names of allottees

The allottees of the Placement Shares were institutional and sophisticated investors in Australia and certain foreign jurisdictions as determined by the Company in consultation with the lead manager of the Placements. The QMAC Funding Facility Shares and Options were issued to QMAC Capital Security LLC.

Use of funds

The funds raised from the issue of the Placement Shares and QMAC Funding Facility Shares were used to continue operations and business objectives, to pay outstanding creditors and borrowings, and for general working capital purposes.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 10A of the Notice of Meeting.

Pursuant to, and in accordance with, ASX Listing Rule 7.5 the following information is provided in relation to Resolution 10B - Listing rule 7.1A:

Number of securities issued

A total of 83,950,332 Placement Shares were issued under ASX Listing Rule 7.1A.

The issue price of the securities

75,622,960 Placement Shares were issued at an issue price of A\$0.02 per Share and 8,327,372 Placement Shares were issued at an issue price of A\$0.0216 per Share.

The terms of the securities

Each Placement Share were issued on the same terms and ranked equally with the existing Shares in the Company as at the date of their issue.

Names of allottees

The allottees of the Placement Shares were institutional and sophisticated investors in Australia and certain foreign jurisdictions as determined by the Company in consultation with the lead manager of the Placements.

Use of funds

The funds raised from the issue of the Placement Shares were used to continue operations and business objectives, to pay outstanding creditors and borrowings, and for general working capital purposes.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 10B of the Notice of Meeting.

Directors' recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of these Resolutions.

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

8. Resolution 11 – Approval for the issue of Options to Subscribers

Background

On 30 November 2017, 15 December 2017, 21 December 2017, 12 January 2018, and 7 March 2018 the Company completed placements totalling 133,493,607 shares to professional and sophisticated investors (Subscribers). Pursuant to the terms of the placements one option is to be issued for every 2 shares subscribed, subject to Shareholder approval, the Company proposes to issue to Subscribers, 66,746,806 Options after rounding up. The Options will be exercisable at an exercise price of \$0.01 per Option and an expiry date 2 years from date of issue. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

ASX Listing Rules

ASX Listing Rule 7.1 prohibits, subject to certain exceptions, a company from issuing or agreeing to issue equity securities that would represent more than 15% of the number of fully paid ordinary securities on issue 12 months prior to the date of issue of (or agreement to issue) such equity securities, without the prior approval of the company's shareholders. Accordingly, Shareholder approval is sought for the issue of the 66,746,804 Options to Subscribers.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Securities proposed to be issued under this resolution will be "equity securities" for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to Resolution 11:

Maximum number of securities to be issued

A total of 66,746,804 Options are proposed to be issued to Subscribers,

The issue price of the securities

The Subscribers Options will have a nil issue price and exercisable at \$0.01 per Option and an expiry date 2 years from date of issue.

The terms of the securities

The terms of the Subscribers Options are set out in Annexure 1C and 1F.

Names of the allottee

The Subscribers Options are to be issued to the Subscribers.

Intended use of the funds raised from exercise of the Subscribers Options

Funds raised from the exercise of Subscribers Options (in the event that Subscribers chooses to exercise the Subscribers Options granted to it) will be used operations and business objectives, and for general working capital purposes.

Date of allotment

The Subscribers Options the subject of this Resolution 11 will be allotted on one date within 1 month after Shareholder approval is granted under Resolution 11.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 11 of the Notice of Meeting.

Directors' recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of this Resolution.

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

9. Resolution 12 – Issue of Shares and Options to James Tsiolis

Background

Mr James Tsiolis was appointed a director on October 2016 has been Executive Chairman of the Company from February 2016 and Chief Executive Officer from August 2016, during this period Mt Tsiolis has provided significant services and support above normal duties and responsibilities. He has undertaken significant additional work and travel relating to the financial position, the restructuring, the product development, and the business strategy of the Group.

For the period as Executive Chairman from February 2016 to June 2017 and as CEO from August 2016 to June 2017 Mr Tsiolis is to be issued, subject to shareholder approval, 35,000,000 shares at \$0.02 per share for the additional services and support.

For the period as Executive Chairman and CEO from July 2017 Mr Tsiolis is to be paid under an Executive Employment Contract of \$300,000 per annum, Mr Tsiolis has not been paid the salary for the period from July 2017 to March 2018 and has agreed to satisfy the \$225,000 salary owed from the issue, subject to shareholder approval, of 11,250,000 shares at \$0.02 per share and 5,625,000 options with an exercise price of \$0.02 and an expiry date 3 years from date of issue.

As with all other executives of the Company, the performance of Mr Tsiolis has been reviewed under the Company's performance review process. That review process has led to a recommendation to seek Shareholder approval to issue, to Mr Tsiolis, the Shares and Options the subject of this Resolution

The other Directors have concluded that the issue of the Shares and Options to Mr Tsiolis is reasonable and appropriate having regard to the circumstances of the Company and Mr Tsiolis' services. The number of Shares to be issued to Mr Tsiolis has been determined by the Company having regard to the services provided to the Company by Mr Tsiolis since his appointment as Executive Chairman of the Company from February 2016 and Chief Executive Officer from August 2016 and his experience and background. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November December 2017 and January and March 2018 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options. The Company has determined that the value of 5,625,000 Options the subject of this Resolution, being \$138,010 for Mr Tsiolis, based on the Black Scholes model, is a reasonable in the circumstances

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Accordingly, Shareholder approval is sought for the issue of 46,250,000 Shares and 5,625,000 Options to Mr Tsiolis.

Approval of this Resolution will result in these Shares falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares to Mr Tsiolis will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

The terms of the Options are set out in Annexure 1D and 1F.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the Shares will be issued to Mr James Tsiolis or his nominee;
- the maximum number of Shares to be issued is 46,250 fully paid ordinary shares and 5,625,000 Options;
- the Shares and Options will be issued within one month of the date of the meeting at which this resolution is passed;

- the issue price of the Shares is \$0.02 per share, the Options will be issued for \$nil with an exercise price of \$0.02 and an expiry date 3 years from date of issue;
- the Shares issued will rank equally in all respects with other existing fully paid ordinary shares in the capital of the Company;
- as the Shares and Options are being issued in lieu of salary arrears and for additional services and support, there are no proceeds from the issue of the Shares; and
- the relevant voting exclusion statement is set out in Resolution 12 of the Notice of Meeting.

Directors' Recommendation

The Board (with Mr James Tsiolis abstaining) recommends Shareholders vote in favour of these Resolutions.

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

10. Resolution 13 – Issue of Shares and Options to Robert Turner

Background

Mr Robert Turner was appointed a director Non-Executive on August 2016, during this period Mr Turner has provided significant services and support above normal duties and responsibilities. He has undertaken significant additional work in the USA including raising money and business introductions.

For the period as Non-Executive Chairman from August 2016 to December 2017 Mr Turner is to be issued, subject to shareholder approval, 25,000,000 shares at \$0.02 per share and 10,000,000 options at an exercise price of \$0.02 per Option and an expiry date 3 years from date of issue for the additional services and support.

As with all other executives of the Company, the performance of Mr Turner has been reviewed under the Company's performance review process. That review process has led to a recommendation to seek Shareholder approval to grant the Shares and Options the subject of this Resolution.

The other Directors have concluded that the Shares and Options for Mr Turner is reasonable and appropriate having regard to the circumstances of the Company and Mr Turner's duties and responsibilities. The number of Shares and Options to be issued to Mr Turner has been determined by the Company having regard to the services provided to the Company by Mr Turner and his experience and background. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November December 2017 and January and March 2018 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options. The Company has determined that the value of 10,000,000 Options the subject of this Resolution, being \$245,351 for Mr Turner, based on the Black Scholes model, is a reasonable in the circumstances.

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Accordingly, Shareholder approval is sought for the issue of the 25,000,000 Shares to and the issue of the 10,000,000 Options to Mr Turner.

Approval of this Resolution will result in the issue of these Shares and Options falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares and Options to Mr Turner will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

The terms of the Options are set out in Annexure 1D and 1F.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the 25,000,000 Shares 10,000,000 Options are to be issued to Robert Turner as Non-Executive Director of the Company;
- the maximum number of securities to be issued to Mr Turner is 25,000,000 Shares and 10,000,000 Options;
- the Shares and Options will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Shares is \$0.02 each and Options nil, each Option is exercisable at \$0.02 and expiring 3 years after the date of issue;
- the Shares issued, and Shares issued as a result of the exercise of the Options, will rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- the funds from the exercise of the Options will be used for general working capital purposes; and
- the relevant voting exclusion statement is set out in Resolution 13 of the Notice of Meeting.

Directors' Recommendation

The Board (with Mr Robert Turner abstaining) recommends Shareholders vote in favour of these Resolutions.

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

11. Resolution 14 – Issue of Shares and Options to Peter Apostolopoulos

Background

Mr Peter Apostolopoulos was appointed a director Non-Executive on December 2017. Prior to his appointment Mr Apostolopoulos has been assisting the Company and providing services and advice since November 2016, during this period Mr Apostolopoulos has provided significant services and support including raising money, restructuring, and business strategy.

For the period from November 2016 to November 2017 Mr Apostolopoulos is to be issued, subject to shareholder approval, 12,000,000 shares at \$0.02 per share and 6,000,000 options at an exercise price of \$0.02 per Option and an expiry date 3 years from date of issue for the additional services and support.

The contribution of Mr Apostolopoulos has been reviewed under the Company's performance review process. That review process has led to a recommendation to seek Shareholder approval to grant the Shares and Options the subject of this Resolution.

The other Directors have concluded that the Shares and Options for Mr Apostolopoulos is reasonable and appropriate having regard to the circumstances of the Company and Mr Apostolopoulos assistance and contribution. The number of Shares and Options to be issued to Mr Apostolopoulos has been determined by the Company having regard to the services provided to the Company by Mr Apostolopoulos and his experience and background. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November December 2017 and January and March 2018 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options. The Company has determined that the value of 6,000,000 Options the subject of this Resolution, being \$147,211 for Mr Apostolopoulos, based on the Black Scholes model, is a reasonable in the circumstances.

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Accordingly, Shareholder approval is sought for the issue of the 12,000,000 Shares to and the issue of the 6,000,000 Options to Mr Apostolopoulos.

Approval of this Resolution will result in the issue of these Shares and Options falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares and Options to Mr Apostolopoulos will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

The terms of the Subscribers Options are set out in Annexure 1D and 1F.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the 12,000,000 Shares 6,000,000 Options are to be issued to Peter Apostolopoulos as Non-Executive Director of the Company;
- the maximum number of securities to be issued to Mr Apostolopoulos is 12,000,000 Shares and 6,000,000 Options;
- the Shares and Options will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Shares is \$0.02 each and Options nil, each Option is exercisable at \$0.02 and expiring 3 years after the date of issue;
- the Shares issued, and Shares issued as a result of the exercise of the Options, will rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- the funds from the exercise of the Options will be used for general working capital purposes; and
- the relevant voting exclusion statement is set out in Resolution 14 of the Notice of Meeting.

Directors' Recommendation

The Board (with Mr Peter Apostolopoulos abstaining) recommends Shareholders vote in favour of these Resolutions.

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

12. Resolution 15 – Approval of the Issue of Options to Consultant

Resolution 15 seeks Shareholder approval for the issue of 10,000,000 Options at an exercise price of \$0.02 per Option and an expiry date 3 years from date of issue to Jack Grubman for services during the period April 2016 to December 2017 relating to fund raisings and business introductions. The number of Options has been determined by the Company having regard to the services provided to the Company and the issue price of the Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without Shareholder approval and subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than the amount that represents 15% of the total number of fully paid ordinary securities on issue at the commencement of that 12 month period. Accordingly, Shareholder approval is sought for the issue of the 10,000,000 Options to Jack Grubman.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Securities proposed to be issued under this resolution will be “equity securities” for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to the Resolution.

The maximum number of Options to be issued

The maximum number of Options to be issued is 10,000,000.

The issue price of the Options and terms of the issue

The issue price of each Option will be Nil, exercisable at \$0.02 per Option and an expiry date 3 years from date of issue.

The terms of the Options

The terms of the Subscribers Options are set out in Annexure 1D and 1F.

Shares issued on exercise of the Options will rank equally in all respects with the Company's existing Shares as at the date of their issue.

Names of the allottee

The Options are to be issued to Jack Grubman.

Intended use of the funds raised from the issue

The Options will be granted for nil consideration and no funds will be raised as a result.

Date of allotment

The Options the subject of this Resolution 15 will be allotted on one date within 1 month after Shareholder approval is granted under Resolution 15.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 15 of the Notice of Meeting.

Directors' recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of this Resolution.

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

13. Resolution 16 – Issue of Securities to Service Provider

Resolution 16 seeks Shareholder approval for the issue of 10,000,000 Options at an exercise price of \$0.02 per Option and an expiry date 3 years from date of issue to GDM Services Pty Ltd for services during the period December 2014 to December 2017 relating to Company Secretary, and corporate advice. The number of Options has been determined by the Company having regard to the services provided to the Company and the issue price of the Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option.

Resolution 16 also seeks Shareholder approval for the issue of 3,410,542 Shares and 2,190,438 Options to GDM Services Pty Ltd in satisfaction of fees owed. GDM Services Pty Ltd is owed fees of \$43,952 for the period June to December 2017 and \$24,258 for services for the period April to January 2016, GDM Services Pty Ltd have agreed to satisfy the amounts owed from the issue of 3,410,542 shares at \$0.02 per share and 2,190,438 options with an exercise price of \$0.01 and an expiry 2 years from date of issue. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without Shareholder approval and subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than the amount that represents 15% of the total number of fully paid ordinary securities on issue at the commencement of that 12 month period. Accordingly, Shareholder approval is sought for the issue of the 3,410,542 Shares and 2,190,438 Options to GDM Services Pty Ltd.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Securities proposed to be issued under this resolution will be "equity securities" for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to the Resolution.

The maximum number of Shares and Options to be issued

The maximum number of Shares to be issued is 3,410,542 and the maximum number of Options to be issued is 2,190,438.

The issue price of the Shares and Options and terms of the issue

The issue price of each Shares is \$0.02 each and Options will be Nil, 10,000,000 Options will be exercisable at \$0.02 per Option and an expiry date 3 years from date of issue, and 2,190,438 Options will be exercisable at \$0.01 per Option and an expiry date 2 years from date of issue.

The terms of the Shares and Options

The Shares issued will rank equally in all respects with the Company's existing Shares. The terms of the 10,000,000 Options are set out in Annexure 1D and 1F, the terms of the 2,190,438 Options are set out in Annexure 1C and 1F to this Notice of Meeting.

Shares issued on exercise of the Options will rank equally in all respects with the Company's existing Shares as at the date of their issue.

Names of the allottee

The Options are to be issued to GDM Services Pty Ltd.

Intended use of the funds raised from the issue

The Shares are being issued in satisfaction of fees owed and Options will be granted for nil consideration, therefore no funds will be raised as a result.

Date of allotment

The Shares and Options the subject of this Resolution 16 will be allotted on one date within 1 month after Shareholder approval is granted under Resolution 16.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 16 of the Notice of Meeting

Directors' recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of this Resolution.

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

14. Resolution 17 – Approval of the Issue of Options to Adviser

Resolution 17 seeks Shareholder approval for the issue of 7,500,000 Options at \$0.01 per Option to RM Corporate Finance Pty Ltd for capital raising services. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without Shareholder approval and subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than the amount that represents 15% of the total number of fully paid ordinary securities on issue at the commencement of that 12 month period. Accordingly, Shareholder approval is sought for the issue of the 7,500,000 Options to RM Corporate Finance Pty Ltd.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Options proposed to be issued under this resolution will be “equity securities” for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Information for the purposes of the ASX Listing Rules

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to the Resolution.

The maximum number of Options to be issued

The maximum number of Options to be issued is 7,500,000.

The issue price of the Shares and Options and terms of the issue

The issue price of the Options will be Nil, the Options will be exercisable at \$ \$0.01 per Option and an expiry date 2 years from date of issue.

The terms of the Shares and Options

The terms of the Options are set out in Annexure 1C and 1F.

Shares issued on exercise of the Options will rank equally in all respects with the Company's existing Shares as at the date of their issue.

Names of the allottee

The Options are to be issued to RM Corporate Finance Pty Ltd.

Intended use of the funds raised from the issue

The Options will be granted for nil consideration and no funds will be raised as a result.

Date of allotment

The Options the subject of this Resolution 17 will be allotted on one date within 1 month after Shareholder approval is granted under Resolution 17.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 17 of the Notice of Meeting

Directors' recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of this Resolution.

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

15. Resolution 18A and 18B – Approval of the Issue of Options to Advisers Listing Rule 7.1 and 10.11

Resolution 18 seeks Shareholder approval for the issue of 14,000,000 Options to Peloton Capital Pty Ltd and to issue of 6,000,000 Options to Strategic Capital Management Ltd relating to capital raising services provided in August and November 2016.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without Shareholder approval and subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than the amount that represents 15% of the total number of fully paid ordinary securities on issue at the commencement of that 12 month period. Accordingly, Shareholder approval is sought for the issue of the 14,000,000 Options to Peloton Capital Pty Ltd.

Any equity securities which a company has issued, or agree to issue, within the approval of shareholders under ASX Listing Rule 7.1, will not count towards the 15% in 12 months limitation. The Options proposed to be issued under this resolution will be “equity securities” for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.3.2 requires that any securities issued pursuant to Shareholder approval under Listing Rule 7.1 must be issued no later than 3 months after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Mr James Tsiolis and Mr Peter Apostolopoulos are directors of Strategic Capital Management Ltd. Accordingly shareholder approval is sought for the issue of 6,000,000 Options to Strategic Capital Management Ltd. The Company has determined that the value of 6,000,000 Options the subject of this Resolution, being \$93,495 for Strategic Capital Management Ltd, based on the Black Scholes model, is a reasonable in the circumstances.

Approval of this Resolution will result in these Options falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Options will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Information for the purposes of the ASX Listing Rules 7.1

Pursuant to, and in accordance with, ASX Listing Rule 7.3 the following information is provided in relation to the 14,000,000 Options to be issued Peloton Capital Pty Ltd.

The maximum number of Options to be issued

The maximum number of Options to be issued is 14,000,000.

The issue price of the Shares and Options and terms of the issue

The issue price of the Options will be Nil, 5,250,000 Options will be exercisable at \$0.045 per Option, 5,250,000 Options will be exercisable at \$0.09 per Option, 3,500,000 Options will be exercisable at \$0.15 per Option, the Options will have an expiry date 3 years from date of issue.

The terms of the Shares and Options

The terms of the Options are set out in Annexure 1D and 1F.

Shares issued on exercise of the Options will rank equally in all respects with the Company's existing Shares as at the date of their issue.

Names of the allottee

The Options are to be issued to Peloton Capital Pty Ltd.

Intended use of the funds raised from the issue

The Options will be granted for nil consideration and no funds will be raised as a result.

Date of allotment

The Options the subject of this Resolution 18 will be allotted on one date within 1 month after Shareholder approval is granted under Resolution 18.

Voting exclusion statement

The relevant voting exclusion statement is set out in Resolution 18 of the Notice of Meeting.

Information for the purposes of the ASX Listing Rules 10.11

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the 6,000,000 Options to be issued Strategic Capital Management Ltd:

- the Options will be issued to Strategic Capital Management Ltd, James Tsiolis and Peter Apostolopoulos are Directors of the Company and also directors of Strategic Capital Management Ltd, they are therefore associates and any votes cast by them or an associate of theirs will be excluded;
- the maximum number of Options to be issued is 6,000,000 Options;
- the Options will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Options will be Nil, 2,250,000 Options will be exercisable at \$0.045 per Option, 2,250,000 Options will be exercisable at \$0.09 per Option, 1,500,000 Options will be exercisable at \$0.15 per Option, the Options will have an expiry date 3 years from date of issue;
- the Shares issued as a result of the exercise of the Options issued to the Directors on the exercise of the Options will rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- the funds from the exercise of the Options will be used for general working capital purposes; and
- Resolution 18 is subject to a voting exclusion statement (see the Notice of Meeting).

The terms of the Options are set out in Annexure 1D and 1F.

Directors' recommendation

The Board (with Mr James Tsiolis and Mr Peter Apostolopoulos abstaining) recommend that Shareholders vote in favour of this Resolution.

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

16. Resolution 19 – Approval of issue of Shares and Options to Adviser

On 23 August 2017 Netlinkz announced details of liquidity and support services arranged and provided by Strategic Capital Management Ltd (SCM) during the period the Company was suspended. This involved SCM providing financial accommodation, operational and managerial support.

During the period March 2017 to August 2017 SCM arranged liquidity support for the Company. The Company agrees to pay SCM a fee of \$560,000 for arranging the support with 50% of the fee to be paid from the issue of 14,000,000 shares at \$0.02 per share and 7,000,000 options exercisable at \$0.01 per share and expiry 2 years from date of issue, subject to shareholder approval. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option. As 27 April 2018 the Company share price was \$0.034 and the Options to be issued are in the money, the share price has increased since the time of the agreement to issue the Options.

During the period February 2016 to December 2017 SCM assisted with the restructure of the company, product development, and China and US business development and strategy. The Company agrees to pay SCM a fee of \$300,000 for the assistance, the fee is to be paid from the issue of 15,000,000 shares at \$0.02 per share and 7,500,000 options exercisable at \$0.01 per share and expiry 3 years from date of issue, subject to shareholder approval. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option.

SCM assisted and provided arranging services to the Company in relation to the QMAC Funding Facility (refer to Resolution 8 Explanatory Memorandum), the Company agrees to pay the Company agrees to pay SCM a fee of 4% on the QMAC debt funding. The Company agrees to pay the fee from the issue of shares at \$0.02 per share and one option for every two shares, the options exercisable at \$0.01 per share and expiry 2 years from date of issue, subject to shareholder approval. The issue price of the Shares and Options has been determined by the Company having regard to the unrelated party capital raisings undertaken in November and December 2017 at \$0.02 per share and \$0.01 per Option.

As at the date of this Notice of Meeting the maximum number of Shares and Options to be issued to SCM in relation to the QMAC Funding Facility is not yet known. The number of Shares and Options to be issued are to be calculated by taking the face value of the Facility being US\$7,500,000 converted to A\$ on the date of Shareholder approval and applying the 4% fee. The number of Shares and Options to be issued to the SCM in relation to the QMAC Funding Facility will be dependent on the A\$:US\$ exchange rate on the date of approval.

The following table includes an estimate of the Shares and Options to be issued using assumed A\$:US\$ exchange rates as at the date of this Notice of Meeting.

A\$:US\$ exchange rate assumption	Date of Notice US\$0.75	Date of Notice US\$0.77	Date of Notice US\$0.80
QMAC Funding Facility US\$	US\$7,500,000	US\$7,500,000	US\$7,500,000
QMAC Funding Facility drawn down A\$ estimate	A\$10,000,000	A\$9,740,260	A\$9,375,000
SCM 4% fee estimate	A\$400,000	A\$389,610	A\$375,000
Shares to be issued estimate	20,000,000	19,480,419	18,750,000
Options to be issued estimate	10,000,000	9,740,260	9,375,000

ASX Listing Rules

ASX Listing Rule 10.11 requires the approval of Shareholders to issue securities to a related party of the Company (e.g. a Director or Director controlled entity). Mr James Tsiolis and Mr Peter Apostolopoulos are directors of Strategic Capital Management Ltd. Accordingly, Shareholder approval is sought for the issue of the Shares and Options to SCM. The Company has determined that the value of 14,500,000 Options the subject of this Resolution, being \$386,517 for Strategic Capital Management Ltd, based on the Black Scholes model, is a reasonable in the circumstances.

Approval of this Resolution will result in these Shares falling within exception 14 in ASX Listing Rule 7.2. Therefore, the issue of Shares to Aire Trust will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

Information for the purposes of the ASX Listing Rules

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided:

- the Shares and Options will be issued to Strategic Capital Management Ltd;
- the maximum number of Shares and Options to be issued is not yet known, as at the date of this Notice of Meeting there are 29,000,000 Shares and 14,500,000 Options to be issued Shares and Options issued in relation to the QMAC Funding Facility will be dependent on the A\$:US\$ exchange rate on the date of approval;
- the Shares and Options will be issued within one month of the date of the meeting at which this resolution is passed;
- the issue price of the Shares is \$0.02 per share, the Options will be issued for \$nil with an exercise price of \$0.01 and an expiry date 2 years from date of issue;
- the Shares issued will rank equally in all respects with other existing fully paid ordinary shares in the capital of the Company;
- as the Shares and Options are being issued in satisfaction of services provided, there are no proceeds from the issue of the Shares; and
- the relevant voting exclusion statement is set out in Resolution 19 of the Notice of Meeting.

The terms of the Options are set out in Annexure 1C and 1F.

Directors' Recommendation

The Board (with Mr James Tsiolis and Mr Peter Apostolopoulos abstaining) recommends Shareholders vote in favour of these Resolutions.

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

Glossary

In this Notice and Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

General Meeting	the general meeting convened by this Notice of General Meeting.
Associate	a party so described by section 10 – 17 of the Corporations Act.
ASX	ASX Limited ACN 098 624 691 or the securities market operated by it, as the context requires.
Board	Board of Directors.
Chairman	Mr James Tsiolis.
Constitution	Constitution of the Company.
Company	Netlinkz Limited (ACN 141 509 426)
Corporations Act	<i>Corporations Act 2001</i> (Cth) as amended or replaced from time to time.
Director	a director of the Company.
Explanatory Memorandum	this explanatory memorandum forming part of the Notice of General Meeting.
General Meeting	the Notice of General Meeting including this Explanatory Memorandum.
Listing Rules	the listing rules of ASX.
Option	the options to acquire a Share on the general terms and conditions set out in Annexures “A”, “B”, “C”, and “D”.
Proxy Form	means the proxy form attached to this Notice of Meeting.
Related Party	a related party as defined in Section 9 of the Corporations Act, being: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of that member’s spouse;(c) a dependant of that member or of that member’s spouse;(d) anyone else who is one of that member’s family and may be expected to influence that member, or be influenced by that member, in that member’s dealings with the Company;(e) a company that is controlled by that member; or(f) any other person prescribed by the regulations.
Resolution	a resolution set out in this Notice of Meeting, or any one of them, as the context requires.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	a registered holder of at least one Share.

Annexure 1A, 1B, 1C, 1D, 1E, and 1F

Annexure 1A – Specific Terms of Directors Options Resolutions 4, 5, and 6

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below and set out in Annexure 1F.

(a) **Expiry Date**

The Directors Options to be issued to Mr John Galt, Mr David O’Dowd, and Mr Peter Apostolopoulos pursuant to Resolutions 4, 5, and 6 have an expire at 3 years from date of issue.

(b) **Exercise Price**

The Director Options to be issued to Mr John Galt, Mr David O’Dowd, and Mr Peter Apostolopoulos pursuant to Resolutions 4, 5, and 6 will have an exercise price of \$0.02.

(c) **Exercise period and lapsing**

Should a Director engagement with the Company cease before the first anniversary of the date of grant of the Options pursuant to Resolutions 4, 5, and 6, all Options will lapse unless otherwise agreed by the Board (the Board would consider exercising its discretion in favour of a Director in circumstances such as redundancy, ill-health, dismissal (other than for reasons of performance or cause) or resignation with the prior agreement of the Board). Should a Director engagement with the Company cease in after the first anniversary of, and prior to the third anniversary of, the date of grant of the Options, the Director will only be entitled to those Options which have vested as at the date of his cessation of engagement with the Company.

Annexure 1B – Specific Terms of QMAC Options Resolution 8

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below and set out in Annexure 1F.

(a) **Expiry Date**

The QMAC Options to be issued pursuant to Resolution 8 have an expire of 24 August 2020.

(b) **Exercise Price**

The QMAC Options to be issued pursuant to Resolution 8 have an exercise price of \$0.02.

(c) **Exercise period and lapsing**

Options may be exercised at any time after satisfaction of the vesting conditions and prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

Annexure 1C – Specific Terms of Subscriber Options Resolution 11, Service Provider and Adviser Options Resolution 16, 17 and 19

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below and set out in Annexure 1F.

(a) **Expiry Date**

The Subscriber Options to be issued pursuant to Resolution 11, the Service Provider Options to be issued pursuant to Resolution 16, the Adviser Options to be issued pursuant to Resolution 17 and 19 have an expiry date 2 years from date of issue.

(b) **Exercise Price**

The Subscriber Options to be issued pursuant to Resolution 11, the Service Provider Options to be issued pursuant to Resolution 16, the Adviser Options to be issued pursuant to Resolution 17 and 19 have an exercise price of \$0.01.

(c) **Exercise period and lapsing**

Options may be exercised at any time after satisfaction of the vesting conditions and prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

Annexure 1D – Specific Terms of Directors Options Resolutions 12, 13, 14, Consultant and Service Provider Options Resolutions 15 and 16.

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below and set out in Annexure 1F.

(a) **Expiry Date**

The Directors Options issued to Mr James Tsiolis, Mr Robert Turner, and Mr Peter Apostolopoulos pursuant to Resolutions 12, 13, and 14, the Consultant and Adviser Options pursuant to Resolutions 15 and 16 have an expiry at 3 years from date of issue.

(b) **Exercise Price**

The Directors Option to be issued to Mr James Tsiolis, Mr Robert Turner, and Mr Peter Apostolopoulos pursuant to Resolutions 12, 13, and 14, the Consultant and Adviser Options pursuant to Resolutions 15 and 16 have an exercise price of \$0.02.

(c) **Exercise period and lapsing**

Options may be exercised at any time after satisfaction of the vesting conditions and prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

Annexure 1E – Specific Terms of Adviser Options Resolution 18

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below and set out in Annexure 1F.

(a) **Expiry Date**

The Adviser Options to be issued pursuant to Resolution 18 have an expiry date 3 years from date of issue.

(b) **Exercise Price**

The Adviser Options to be issued pursuant to Resolution 18 have an exercise price of \$0.045 as to 7,500,000 options, an exercise price of \$0.09 as to 7,500,000 options, and an exercise price of \$0.05 as to 5,000,000 options.

(c) **Exercise period and lapsing**

Options may be exercised at any time after satisfaction of the vesting conditions and prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

Annexure 1F – General Terms of all Options

The Options entitle the holder to subscribe for Shares on the terms and conditions set out below.

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Expiry Date**

Refer to the specific terms included in Annexure 1A, 1B, 1C, 1D, and 1E.

(c) **Exercise Price**

Refer to the specific terms included in Annexure 1A, 1B, 1C, 1D, and 1E .

(d) **Exercise period and lapsing**

Refer to the specific terms included in Annexure 1A, 1B, 1C, 1D, and 1E .

(e) **Exercise Notice and payment**

Options may be exercised by notice in writing to the Company (**Exercise Notice**) together with payment of the Exercise Price for each Option being exercised. Any Exercise Notice for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt. Cheques paid in connection with the exercise of Options must be in Australian currency, made payable to the Company and crossed “Not Negotiable”.

(f) **Shares issued on exercise**

Shares issued on exercise of Options will rank equally in all respects with then existing fully paid ordinary shares in the Company.

(g) **Quotation of Shares**

Provided that the Company is quoted on ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(h) **Timing of issue of Shares**

Subject to clause (i), within 10 business days after the later of the following:

- (i) receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
- (ii) the date the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Notice of Exercise and payment of the Exercise Price for each Option being exercised by the Company,

the Company will:

- (iii) allot and issue the Shares pursuant to the exercise of the Options;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent that it is legally able to do so); and
- (v) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Options.

(i) **Shareholder and regulatory approvals**

Notwithstanding any other provision of these terms and conditions, exercise of Options and receipt of Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is announced. This is intended to give the holders of Options the opportunity to exercise their Options prior to the announced record date for determining entitlements to participate in any such issue.

(k) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

(m) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(n) **Quotation**

The Company will not apply for quotation of the Options on ASX.

(o) **Transferability**

The Options are non-transferable.

