
MEJORITY CAPITAL LIMITED**ACN 106 760 418****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 11.00am AEST
DATE: 22 September 2020
PLACE: Level 7
33 Elkhorn Avenue
SURFERS PARADISE QUEENSLAND 4217

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00am AEST on 20 September 2020.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue Shares on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of 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) (the Vendors) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 18,293,893 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Ace Solution Investment Limited) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – REMOVAL OF AUDITOR

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

“That, pursuant to section 329 of the Corporations Act and for all other purposes, approval is given for the removal of Crowe South QLD as the current auditor of the Company effective from the date of the Meeting.”

4. RESOLUTION 4 – APPOINTMENT OF AUDITOR TO REPLACE AUDITOR REMOVED FROM OFFICE

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

“That, subject to the passing of Resolution 3, pursuant to section 327 of the Corporations Act and for all other purposes, approval is given for the appointment of Mazars Audit (Qld) Pty Ltd as auditor of the Company effective from the date of the Meeting.”

5. RESOLUTION 5 – CHANGE OF COMPANY NAME

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

“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Finexia Financial Group Limited.”

6. RESOLUTION 6 – REPLACEMENT OF CONSTITUTION

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

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”

Dated: 17 August 2020

By order of the Board



Neil Sheather

Executive Chairman & CEO

Voting in person

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

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company on 61 7 5689 4657 or email to info@mejoritycapital.com.au.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – APPROVAL TO ISSUE SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

1.1 General

On 17 August 2020, the Company entered into a share sale agreement (**Agreement**) to acquire 100% of the issued capital in Creative Group Capital Pty Ltd (**Creative**) from the shareholders of Creative (**Vendors**) (**Proposed Acquisition**).

Creative was established in 2005 initially to service the finance needs of high net worth groups. Since that time the business has evolved and now has three distinct divisions namely, commercial property finance (including development & construction), business finance & residential mortgage finance.

Creative is an independent capital raising and financing business specialising in business, commercial and property finance based on the Gold Coast. Creative's group's geographical reach extends throughout Australia, with clients based from far North Queensland to Tasmania.

Creative operates under three distinct brands & businesses:



The Proposed Acquisition will enable the Company to provide financial services that are complementary to its existing activities, enabling the Company to expand its business within the financial services sector.

An application was made for a waiver from the requirements of ASX Listing Rule 7.3.4 to enable the Company to issue, as part deferred consideration for the Proposed Acquisition, the Consideration Shares and Milestone Shares (as defined below) to Creative outside the period that is three months from the date of the shareholder meeting to approve the issue.

On 28 July 2020, the Company was granted the above waiver (**Waiver**) and the right to issue the Consideration Securities (as defined below). The Waiver was granted on the condition that, among others, that the Consideration Securities be issued no later than 31 December 2021. For the full terms and conditions of the Waiver refer to Annexure B.

1.2 Material terms under the Agreement are as follows:

(a) Cash Consideration

Upon the Completion of the Agreement (**Completion**), the Company has agreed to make a cash payment of \$600,000 to the Vendors (**Cash Consideration**).

(b) Consideration Securities

Upon the expiry of **Milestone Period**, for the purposes of assessing the performance of Creative the Company shall produce special purpose accounts in order for it to undertake an audit of Creative's accounts for the Milestone Period (**Accounts**), upon its determination the Company has agreed to no later than 14 days from the receipt of the Accounts issue to the Vendors (or their nominees) the following securities:

- (i) \$600,000 worth of fully paid ordinary shares in the capital of the Company (**Shares**) at a deemed issue price per Share equal to the higher of:
 - (A) the volume weighted average price (**VWAP**) over a 21-trading day period calculated from the date of Completion; and
 - (B) or \$0.02 per Share (**Issue Price**) (**Consideration Shares**),
- (ii) upon the achievement of new revenue in excess of \$1 million, minus any trail related income generated prior to the date of signing of the Agreement (**New Revenue Milestone**), the Company shall pay 50% in every dollar up to \$4,000,000 (**New Revenue Cap**) in excess of the New Revenue Milestone as follows:
 - (A) 50% in cash; and
 - (B) 50% in Shares at the Issue Price (**Milestone Shares**),

(together, the **Consideration Securities**).

(c) Board

Creative to appoint Pat Bell to the board of the Company.

By way of example, assuming the New Revenue Milestone is achieved to a value equal to the New Revenue Cap, the maximum number of Consideration Securities that the Company will be required to issue is 67,500,000 (comprising 30,000,000 Consideration Shares and 37,500,000 Milestone Shares).

If the New Revenue Milestone is not achieved, the Consideration Shares shall be adjusted pro rata for every dollar less than the New Revenue Milestone. In the event that the New Revenue Milestone is achieved prior to the expiry of the Milestone Period, at the discretion of the Company and upon its determination, the Company may issue the Consideration Shares at such time.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the

approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Consideration Securities should the New Revenue Milestone be achieved does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

1.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of the Consideration Securities. The issue of the Consideration Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Consideration Securities. Should this Resolution not be passed the parties will need to renegotiate the terms of the Agreement so that the Company may be required to pay a cash amount.

To this end, the Resolution seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consideration Securities.

1.4 Technical information required by Listing Rule 7.1

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

- (a) the Consideration Securities will be issued to the Vendors, who are not related parties of the Company;
- (b) the maximum number of Consideration Shares that the Company will be required to issue is 30,000,000 Shares as calculated and set out in Section 1.2(b)(ii) above;
- (c) the maximum number of Milestone Shares that the Company will be required to issue is 37,500,000 as calculated and set out in Section 1.2(b)(ii) above;
- (d) The Consideration Securities issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing Shares;
- (e) the Consideration Shares and the Milestone Shares will be issued later than 3 months after the date of the Meeting as permitted by ASX waiver of Listing Rule 7.3.4 granted on 28 July 2020, but in any event the issue of the Consideration Securities will occur no later than 31 December 2021;
- (f) the Consideration Securities will be issued at the Issue Price per Share as set out in Section 1.2(b)(i) above as part consideration for the Proposed Acquisition of Creative;
- (g) the purpose of the issue of the Consideration Securities is to satisfy the Company's obligations under the Agreement;
- (h) the material terms of the Agreement are set out in Section 1.2 above;

- (i) the Consideration Securities are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolutions 1 and 2 of this Notice.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

2.1 General

On 8 November 2019, the Company issued 18,293,893 Shares at an issue price of \$0.015 per Share to raise \$274,408 (**Placement Shares**).

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 25 November 2019.

The issue of the Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If this Resolution is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

2.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to this Resolution:

- (a) the Placement Shares were issued to Ace Solution Investments Limited, who is not a related party of the Company;
- (b) 18,293,893 Placement Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Placement Shares were issued on 8 November 2019, and have been placed on a holding lock and therefore have not been traded on the ASX;
- (d) the issue price was \$0.015 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (e) the purpose of the issue of the Placement Shares was to raise \$274,408 which was applied towards the Company's strategic growth plans and general working capital requirements;
- (f) the Placement Shares were not issued under an agreement; and
- (g) a voting exclusion statement is included in Resolutions 1 and 2 of this Notice.

3. RESOLUTION 3 – REMOVAL OF AUDITOR

Under section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given.

It should be noted that under this section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice of intention is given.

This Resolution is an ordinary resolution seeking the removal of Crowe South QLD as the auditor of the Company. An auditor may be removed in a general meeting provided that the notice of intention to remove the auditor has been received from a member of the company.

In accordance with section 329(2) of the Corporations Act, the Company has sent a copy of the notice to Crowe South QLD and the ASIC.

4. RESOLUTION 4 – APPOINTMENT OF AUDITOR TO REPLACE AUDITOR REMOVED FROM OFFICE

Under section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under section 329 of the Corporations Act.

Resolution 4 is a special resolution seeking the appointment of Mazars Audit (Qld) Pty Ltd as the new auditor of the Company. As required by the Corporations Act, a nomination for Mazars Audit (Qld) Pty Ltd to be appointed as the auditor of the Company has been received from a member. A copy of the nomination of Mazars Audit (Qld) Pty Ltd as auditors is set out at Annexure A.

Mazars Audit (Qld) Pty Ltd has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act subject to shareholder approval of this Resolution.

If Resolutions 3 and 4 are passed, the appointment of Mazars Audit (Qld) Pty Ltd as the Company's auditor will take effect at the close of this Meeting. Resolution 4 is subject to the passing of Resolution 3.

5. RESOLUTION 5 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

This Resolution seeks the approval of Shareholders for the Company to change its name to “Finexia Financial Group Limited”.

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if this Resolution is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

If this Resolution is passed the change of name will take effect when ASIC alters the details of the Company's registration.

6. RESOLUTION 6 – REPLACEMENT OF CONSTITUTION

6.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

This Resolution is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules.

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted in 2015.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating the name of the Company to that adopted in 2016;

- (b) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- (c) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary +61 7 3135 7386 or email to shareholders@mejoritycapital.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

6.2 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the recent changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

\$ means Australian dollars.

AEST means Australian Eastern Standard Time, which during the daylight savings period means the time in Queensland.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means Mejority Capital Limited (ACN 106 760 418).

Constitution means the Company's constitution.

Consideration Securities means the Consideration Shares and Milestone Shares to be issued as part consideration for the Proposed Acquisition.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proposed Acquisition means the proposed acquisition as set out in Section 1.1 of this Notice.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

ANNEXURE A – NOMINATION OF PROPOSED AUDITOR LETTER

30 March 2020

Directors
Mejority Capital Limited
Suite 1, Level 13
49-51 York Street
SYDNEY NSW 2000

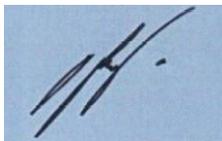
Dear Sirs,

INTENTION TO APPOINT NEW AUDITOR

Mr Mark Shin Yong CHEW, being a member of Mejority Capital Limited ("Company") and with a holding of at least 5% of the issued capital of the Company, request that a general meeting of the Company be called to consider, and if appropriate, to pass the following resolutions:

1. That Crowe South Qld be removed as auditor of the Company.
2. That Mazars Audit (Qld) Pty Limited be appointed as auditor of the Company.

Yours sincerely,



Mr Mark Shin Yong CHEW

ANNEXURE B – WAIVER TERMS AND CONDITIONS

The Consideration Securities pursuant to the Waiver must be issued subject to the following conditions:

- 1.1 The Consideration Securities be issued within fourteen days of receipt of audited accounts of Creative (**Accounts**) following the expiry of 12 months from the date of execution of the agreement between the shareholders of Creative and the Company with respect to the Acquisition (**Agreement**), and in any event, by no later than 31 December 2021.
- 1.2 The performance milestones which must be satisfied for the Consideration Securities to be issued are not varied.
- 1.3 A copy of the Accounts is released to the market prior to the Consideration Securities being issued.
- 1.4 For any annual reporting period during which any of the Consideration Securities have been issued or any of them remain to be issued, MJC's annual report sets out in detail the number of the Consideration Securities issued in that annual reporting period, the number of the Consideration Securities that remain to be issued and the basis on which the Consideration Securities may be issued.
- 1.5 In any half year or quarterly report for a period during which any of the Consideration Securities have been issued or remain to be issued, MJC must include a summary statement of the number of Consideration Securities issued during the reporting period, the number of Consideration Securities that remain to be issued and the basis on which the Consideration Securities may be issued.
- 1.6 The Notice contains the full terms and conditions of the Consideration Securities, including worked examples for the number of Consideration Securities that may be issued within the thresholds set out in the relevant milestones, the maximum number of Consideration Securities that may be issued, as well as the conditions of this waiver.