



**STEMIFY LIMITED**  
**ACN 009 256 535**

# **Notice of General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Tuesday 30 July 2019**

Time of Meeting:  
**9.00am (WST)**

Place of Meeting:  
**The Park Business Centre**  
**45 Ventnor Avenue**  
**West Perth WA 6005**

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

# STEMIFY LIMITED

ACN 009 256 535

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

## NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholder of Stemify Limited (“Stemify” or the “Company”) will be held The Park Business Centre, 45 Ventnor Avenue, West Perth, WA, 6005 at 9.00am (WST) on Tuesday 30 July 2019 (“General Meeting” or “Meeting”).

### AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety. Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

#### ORDINARY BUSINESS

##### Resolution 1: Consolidation of Capital

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

*“That in accordance with Section 254H of the Corporations Act 2001 (Cth), Listing Rule 7.20 to 7.22 and for all other purposes, approval be given for the consolidation of every forty five (45) Shares on issue into one (1) Share and all other Securities in the Company be consolidated on the same basis with any resulting fractions of Securities rounded up to the next whole number of Securities, on the terms and conditions set out in the Explanatory Statement.”*

##### Resolution 2: Approval to issue Placement Shares

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

*“That, subject to Resolution 1 being passed, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue of 87,500,000 Shares and oversubscriptions of up to a further 25,000,000 Shares (**Placement Shares**) to professional and sophisticated investors each at an issue price of \$0.02 (2 cents) to be issued on a post Consolidation basis on the terms and conditions set out in the Explanatory Statement.”*

##### Resolution 3: Approval to issue Conversion Securities to Denlin Nominees in repayment of loans

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

*“That, subject to Resolution 1 being passed, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of:*

- (a) up to 25,000,000 Shares (**Conversion Shares**); and*
- (b) 37,500,000 Conversion Options (collectively the **Conversion Securities**),*

*to Denlin Nominees, a substantial shareholder of the Company, in full and final repayment of all money owing by the Company to Denlin Nominees and its associated entities to be issued on a post Consolidation basis on the terms and conditions set out in the Explanatory Statement.”*

##### Resolution 4: Approval to grant Advisor Options to Forrest Capital

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

*“That, subject to Resolutions 1 and 2 being passed, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the grant of 30,000,000 Options, at an issue price of \$0.00001 per option, each with an exercise price of \$0.025 (2.5 cents), expiring on 31 December 2022 and which, upon exercise, entitles the holder to one Share (**Advisor Options**), to Forrest Capital (or its nominees) to be issued on a post Consolidation basis on the terms and conditions set out in the Explanatory Statement.”*

**Resolution 5: Approval to issue Shares to creditors in satisfaction of creditor balances**

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

*"That, subject to Resolution 1 being passed, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 2,500,000 Shares (**Creditor Shares**) to creditors of the Company (or their nominees) to be issued on a post Consolidation basis on the terms and conditions set out in the Explanatory Statement."*

**Resolution 6: Appointment of Jonathan Pearce as a Director**

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

*"That, subject to Resolutions 1 and 2 being passed, for the purpose of clause 13.5 of the Constitution and for all other purposes, Jonathan Pearce be appointed as a Director with effect from completion of the Placement as per Resolution 2."*

**Resolution 7: Approval to issue Remuneration Shares to Jonathan Pearce**

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

*"Subject to Resolution 6 being passed, for the purpose of Listing Rule 10.11 and for all other purposes and pursuant to an ASX waiver which has been requested, Shareholder approval is given for the Company to issue Jonathan Pearce (or his nominee), a Director of the Company, Shares in lieu of Directors' fees of up to \$30,000 (**Remuneration Shares**) in the event Mr Pearce decides to take Shares in lieu of a physical cash payment for fees and on the basis as set out in the accompanying Explanatory Statement."*

**DATED: 27 June 2019**

By order of the Board



**Justin Mouchacca  
Company Secretary**

## Notes

- 1. Entire Notice:** The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
- 2. Record Date:** The Company has determined that for the purposes of the Meeting, only those persons who are registered as Shareholders at 7.00pm (WST) on Sunday, 28 July 2019 will be entitled to vote at the Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### 3. Proxies

- Votes at the Meeting may be given personally or by proxy, attorney or representative.
- Each Shareholder has a right to appoint one or two proxies. A proxy need not be a Shareholder.
- Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
- A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with the Constitution and the Corporations Act.
- To be effective, proxy forms must be received by the Company's share registry (Advanced Share Registry Ltd) no later than 48 hours before the commencement of the Meeting, this is no later than 9.00am (WST) on Sunday, 28 July 2019. Any proxy received after that time will not be valid for the Meeting.

### 4. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that corporation's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

### 5. How the Chairman will vote Undirected Proxies

The Chairman will vote undirected proxies in favour of all of the proposed resolutions.

### 6. Voting Exclusion Statement:

#### Resolution 1 and 6

There are no voting exclusions on Resolution 1 and 6.

#### Resolutions 2, 4 and 5

The Company will disregard any votes cast in favour of Resolutions 2, 4 and 5 by or on behalf of any person who are expected to participate in the relevant issue or who will obtain a material benefit as a result of the relevant issue or any associates of those persons.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- 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.

#### Resolution 3

A vote in respect of Resolution 3 must not be cast (in any capacity) by or on behalf of any of the following persons:

- Denlin Nominees;
- any person who may obtain a benefit (other than a benefit solely in the capacity of a holder of ordinary shares) if Resolution 3 is passed; or
- any of their respective associates.

However, a person described above may cast a vote on Resolution 3 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a), (b) or (c) above and either:

- the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 3; or
- the person if the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on Resolution 3.

#### Resolution 7

The Company will disregard any votes cast in favour on Resolution 7 by Jonathan Pearce or his nominee or any of their associates, or a member of the Key Management Personnel or a Closely Related party of such member where they are acting as proxy (Proxy Voter) in contravention of section 250BD of the Corporations Act.

A vote may be cast by a Proxy Voter where the vote is not cast on behalf of the Proxy Voter and either:

- the Proxy Form specifies how that Proxy Voter is to vote; or
- that Proxy Voter is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

### Enquiries

Shareholders are invited to contact the Company Secretary, Justin Mouchacca on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

# EXPLANATORY STATEMENT

## 1. Resolution 1: Consolidation of Capital

### 1.1 Background

In accordance with the Company's ASX Announcement dated 6 June 2019, the Company proposes to complete a capital raising, consolidation of capital and debt conversion. The Board considers that it is appropriate at this point in time to rationalise the number of Shares on issue.

Resolution 1 seeks Shareholder approval for the Company to consolidate its issued capital on a forty-five (45) for one (1) basis (**Consolidation**). The Consolidation will reduce the number of Shares from 558,868,914 to approximately 12,419,309 representing a 98% reduction in the number of Shares on issue thereby making the number of Shares on issue more manageable. The Consolidation will result in a more appropriate and effective structure for the Company. The proposed capital raising and debt conversion (the subject of Resolutions 2 to 5) will be undertaken post Consolidation.

Key details for the Consolidation, if approved by Shareholders, are:

- (a) The Consolidation will take effect from 5 August 2019 (**Effective Date**).
- (b) The Corporations Act permits the Company to undertake a consolidation of share capital provided Shareholders approve the consolidation by ordinary resolution.
- (c) Where the Consolidation results in a Shareholder having an entitlement to a fraction of a Share, that fraction will be rounded up to the nearest whole number of Shares.
- (d) The Consolidation will not materially change the proportionate interest that each Shareholder holds in the Company, because the consolidation ratio applies (subject to rounding) to all issued Securities.
- (e) The Options will, in accordance with their terms, be similarly consolidated in number on a forty-five (45) for one (1) basis with the relevant strike price for each Option being increased by a factor of forty-five (45). This will result in the number of Options being reduced from approximately 36,766,387 to 817,031.
- (f) The Performance Rights will be similarly consolidated in number on a forty-five (45) for one (1) basis. This will result in the number of Performance Rights being reduced from approximately 35,249,720 to 783,327.

Current holding statements for Shares in the Company will be replaced by new holding statements showing the number of Shares held post the Consolidation.

### 1.2 Effect of the Consolidation

The effect of the Consolidation on the Company's capital structure is set out in the table below.

Capital Structure	Shares	Unlisted Options	Performance Rights
Pre Consolidation <sup>(1)</sup>	558,868,914	36,766,387	35,249,720
<b>Post Consolidation <sup>(2)</sup></b>	<b>12,419,309</b>	<b>817,031<sup>(3)</sup></b>	<b>783,327<sup>(3)</sup></b>
Issue of Placement Shares (minimum raise) and Advisor Options (Resolutions 2 and 4)	87,500,000	30,000,000	Nil
Issue of Conversion Securities (Resolution 3)	25,000,000 <sup>(4)</sup>	37,500,000 <sup>(5)</sup>	Nil
Issue of Creditor Shares (Resolution 5)	2,500,000 <sup>(6)</sup>	Nil	Nil
<b>Completion of Placement (minimum raise) and debt conversion</b>	<b>127,419,309</b>	<b>68,817,031</b>	<b>783,327</b>
Oversubscriptions (Resolution 2)	25,000,000 <sup>(7)</sup>	Nil	Nil
<b>Completion of Placement (maximum raise) and debt conversion</b>	<b>152,419,309</b>	<b>68,817,031</b>	<b>783,327</b>
Notes:			
(1) Assumes no other Shares are issued or Options exercised in the period after the date of this Notice until Consolidation.			
(2) Subject to rounding.			

- (3) The exercise price for the Options on a post-Consolidation basis will be adjusted by a factor of 45 in accordance with the terms of the Options and Listing Rule 7.22.1.
- (4) Any vesting conditions or performance milestones based on the Share price will have such Share price adjusted, on a post-Consolidation basis, by a factor of 45 in accordance with the terms of the Performance Rights and Listing Rule 7.21.
- (5) Assumes the maximum number of Conversion Shares are issued (which will depend on the amount of the Conversion Liabilities).
- (6) Assumes the maximum number of Creditors Shares are issued (which will depend on the outcome of the Company's renegotiations of outstanding creditor balances).
- (7) Assumes the maximum number of oversubscriptions are subscribed for under the Placement.

### **1.3 Timetable for the Consolidation**

The indicative timetable for the Consolidation is as follows.

<b>Event</b>	<b>Indicative date</b>
Meeting held, including Resolution 1 to approve Consolidation	30 July 2019
Company notifies ASX that Shareholders have approved the Consolidation	30 July 2019
Last day for trading in pre-consolidated Shares	31 July 2019
Trading in the consolidated Shares on a deferred settlement basis starts	1 August 2019
Last day for Company to register Share transfers on a pre-consolidated basis	2 August 2019
First day for Company to register share transfers on a consolidated basis and first day for Company to issue holding statements for Shares on a consolidated basis	5 August 2019
Last day for consolidated Shares to be entered into Shareholders' security holdings	9 August 2019
Last day for Company to send new holding statements to Shareholders	9 August 2019
Deferred settlement trading ends	9 August 2019
Normal T+2 trading in consolidated Shares starts	10 August 2019

As the Company is listed on ASX, the market price of Shares is of course impacted by a number of factors, meaning that, over time, the Company's share price may increase or decrease, and Directors can give no guarantees concerning the share price.

Shareholders are advised to seek their own tax advice on the effect of the Consolidation and the Directors and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation.

If the Company, in its absolute discretion, forms the view that a Shareholder has been party to any shareholding splitting or division to obtain an advantage from the rounding of fractional entitlements, then the Company may take appropriate action, including (without limitation) the disregarding of the splitting or division, for the purposes of dealing with fractional entitlements.

As and from the Effective Date, all holding statements for previously quoted securities will cease to have effect except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. It is the responsibility of each security holder to check the number of securities held prior to disposal.

### **1.4 Board Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 1. The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution.

## **2. Resolution 2: Approval to issue Placement Shares**

### **2.1 Background**

The Company has received firm commitments from professional and sophisticated investors to subscribe for 87,500,000 Placement Shares (on a post consolidation basis) each at an issue price of \$0.02 (2 cents) to raise \$1,750,000 (before costs) and the Company proposes to further raise up to \$500,000 by the issue of oversubscriptions of up to 25,000,000 Placement Shares (on a post consolidation basis) each at an issue price of \$0.02 (2 cents) to professional and sophisticated investors (**Placement**).

Shareholders who qualify and who wish to participate in the oversubscription should contact the Company.

The Company has appointed Forrest Capital as lead manager in respect of the Placement. Proceeds from the Placement will be used to fund the development and marketing the Company's STEM education solutions curriculum in various countries, substantially the USA, utilising the MyStemKits K-12 curriculum with 3D printing, including the MyStemKits' E3 printer which is designed with air filters making it suitable for the targeted education market. Proceeds from the Placement will also be used for general working capital purposes including repayment of historical creditor liabilities of up to \$200,000.

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 for the Company to complete the Placement.

### **2.2 Listing Rule 7.1**

Listing Rule 7.1 imposes a limit on the number of equity securities which the Company can issue without shareholders' approval. In general terms this limit in any 12 month period is no more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue plus the number of fully paid ordinary shares issued in that 12 month period under an exception contained in Listing Rule 7.2 or with shareholders' approval.

The effect of Resolution 2 will be to allow the Company to issue the Placement Shares during the period of 3 months after the Meeting (or longer period if allowed by ASX) without the Company using its 15% annual placement capacity.

### **2.3 Information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with Listing Rule 7.1 must include the following information:

- (a) the maximum number of Placement Shares which may be issued under Resolution 2 is 112,500,000;
- (b) the Placement Shares will be issued at a price of \$0.02 (2 cents) per Placement Share to raise up to \$2,250,000 before costs of the issue;
- (c) the recipients of the Placement Shares will be a mix of new and existing sophisticated and professional investors, none of whom are related parties of the Company, who were identified by Forrest Capital;
- (d) the Placement Shares will be allotted and/or issued progressively but in any event no later than three (3) months after the date of the Meeting;
- (e) the Placement Shares will rank pari passu with the Company's existing Shares;
- (f) the funds raised from the issue of Placement Shares will be used by the Company to develop and market its STEM education curriculums including the MyStemKits K-12 curriculum with 3D printing utilising the Company's customised E3 printer and to fund its ongoing working capital purposes; and
- (g) a voting exclusion statement is included in the Notice.

### **2.4 Board Recommendation**

The Board unanimously recommends that the Shareholders vote in favour of Resolution 2.

### 3. Resolution 3: Approval to issue Conversion Securities to Denlin Nominees in repayment of loans

#### 3.1 Background

The Company has reached agreement with its creditor and lender, Denlin Nominees to repay all monies owing to Denlin Nominees and any of its associates (**Conversion Liabilities**) by issuing Denlin Nominees the Conversion Securities (comprising the Conversion Shares and Conversion Options). The issue of the Conversion Shares is in full and final settlement of the Conversion Liabilities and all security given by the Company in respect of the Conversion liabilities will be released.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 25,000,000 Conversion Shares (on a post consolidation basis) and 37,500,000 Conversion Options (on a post consolidation basis) each at an exercise price of \$0.05 (5 cents) and expiring on 30 June 2023 to Denlin Nominees in full and final satisfaction of the Conversion Liabilities.

As at the date of this Notice, the Conversion Liabilities total in excess of \$1,300,000 and comprise:

- (a) monies owing (currently the principal amount of the loan outstanding is \$849,419.91) under the secured loan granted by Denlin Nominees to the Company by agreement dated 4 December 2017 and as announced to the market on 4 December 2017 (as varied by agreement dated 4 June 2019 – further details are set out in the announcement to the market dated 5 June 2019);
- (b) monies owing under the unsecured bridging loan granted by Denlin Nominees to the Company to provide short term working capital by agreement dated 4 June 2019;
- (c) other unsecured creditor positions of Denlin Nominees and its associates; and
- (d) all accrued unpaid interest, fees and any other monies in respect of the above.

It is noted that the final amount of Conversion Liabilities to be satisfied is not yet known. In accordance with (b) above, the Company has entered into an Unsecured Bridging Loan granted by Denlin Nominees which will increase the Conversion Liability amount and which will be settled through the issue of Conversion Securities.

It is proposed that the amount of the Conversion Liabilities be converted into Conversion Shares each at an issue price of \$0.02 (0.2 cents). The maximum number of Conversion Shares to be issued to Denlin Nominees is capped at 25,000,000. For the avoidance of doubt, the number of Conversion Shares may be 25,000,000 or less depending on the amount of the Conversion Liabilities.

The Company also has historical settlement agreements with existing creditors which it intends to renegotiate as part of its debt conversion process which include the issue of shares. If the 2,500,000 Creditor Shares (on a post consolidation basis) referred to in Resolution 5 are not sufficient to meet the re-negotiated debt conversion arrangements and further shares are required to settle these historical creditor positions then shares in excess of 2,500,000 Creditor Shares referred to in Resolution 5 will be provided by Denlin Nominees from the 25,000,000 Conversion Shares being issued to Denlin Nominees under this Resolution 3.

It is also proposed that Conversion Options be granted to Denlin Nominees in three tranches as follows:

- (a) 12,500,000 Tranche 1 Conversion Options, vesting immediately, with an exercise price of \$0.05 (5 cents) and expiry on or before 30 June 2023;
- (b) 12,500,000 Tranche 2 Conversion Options, vesting upon the Company's share price reaching a 5-day VWAP of \$0.075 (7.5 cents), with an exercise price of \$0.05 (5 cents) and expiry on or before 30 June 2023; and
- (c) 12,500,000 Tranche 3 Conversion Options, vesting upon the Company's share price reaching a 5-day VWAP of \$0.10 (10 cents), with an exercise price of \$0.05 (5 cents) and expiry on or before 30 June 2023.

The full terms and conditions of the Conversion Options are detailed in Annexure B to the Explanatory Statement.

Denlin Nominees is currently a substantial shareholder of the Company holding 52,364,833 Shares representing 9.37% of the issued share capital of the Company.



### **3.2 Listing Rule 10.11**

Listing Rule 10.11 provides, in summary, that a listed company must not, subject to specified exceptions, issue equity securities to any of the following without the approval of holders of ordinary securities:

- (i) a related party; or
- (ii) a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

Denlin Nominees is deemed to be a related party of the Company within the meaning of paragraph (i) above because Director, Anthony Grist, was a director of Denlin Nominees in the last 6 months and currently a substantial shareholder of the Company agreeing to issue the Conversion Securities.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1. The issue of the Conversion Securities under Resolution 3 will not use the Company's 15% annual placement capacity.

### **3.3 Information required by Listing Rule 10.13**

**(a) Name of the person to whom the entity will issue the securities**

Denlin Nominees (or its nominees); and  
Albion Capital Partners Pty Ltd ACN 80 122 629 243.

**(b) The maximum number of securities to be issued**

The maximum number of Conversion Shares to be issued is 25,000,000 (on a post consolidation basis) and the total number of Conversion Options to be granted is 37,500,000 (on a post consolidation basis).

**(c) The date by which the entity will issue the securities**

Subject to Shareholder approval, the Conversion will be issued no later than one month after the date of the Meeting.

**(d) The relationship between the Company and Denlin that requires the approval to be obtained**

Denlin Nominees is a substantial shareholder of the Company.

**(e) Issue price of securities**

The Conversion Shares will each be issued at \$0.02 (0.2 cents). No consideration will be paid for the grant of the Conversion Options.

**(f) Terms of the securities**

The Conversion Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Conversion Options will be granted on the terms and conditions set out in Annexure B to this Explanatory Statement.

**(g) The use or intended use of the funds raised**

No funds will be raised by the issue of the Conversion Securities. Rather, the Conversion Securities will be issued in full and final repayment of the Conversion Liabilities.

**(h) Voting Exclusion**

A voting exclusion statement forms part of this Notice.

### **3.4 Board Recommendation**

The Board unanimously recommends that the Shareholders vote in favour of Resolution 3.

## **4. Resolution 4: Approval to Issue Advisor Options to Forrest Capital**

### **4.1 Background**

Resolution 4 seeks Shareholder approval for the grant of 30,000,000 Advisor Options (on a post consolidation basis) under Listing Rule 7.1 to Forrest Capital (or its nominees) on successful completion of the Placement as fees for its services provided to the Company as lead manager of the Placement and in accordance with a mandate executed with Forrest Capital.

Each Advisor Option will be exercisable at \$0.025 (2.5 cents), expire on 31 December 2022 and will, upon exercise, entitle the holder to one Share. The full terms and conditions of the Advisor Options are set out in Annexure A of this Explanatory Statement.

### **4.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is provided in section 2.2 above. The effect of Shareholders passing Resolution 4 will mean that this issue will not reduce the Company's 15% annual placement capacity under Listing Rule 7.1.

### **4.3 Information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- (a) the total number of Advisor Options to be issued is 30,000,000 (on a post consolidation basis);
- (b) the recipients of the options will be Forrest Capital or its nominees, none of whom are related parties of the Company;
- (c) the Advisor Options will be issued for cash consideration of \$0.00001 per option as they will be issued to Forrest Capital for providing services to the Company as lead manager of the Placement;
- (d) it is expected that the Advisor Options will be granted on one date on completion of the Placement and may be granted no later than three months after the date of this Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules);
- (e) the Advisor Options are each exercisable at \$0.025 (2.5 cents), expire on 31 December 2022 and will, upon exercise, entitle the holder to one Share and the full terms of the Advisor Options are detailed in Annexure A of this Explanatory Statement;
- (f) a voting exclusion statement is included in the Notice.

### **4.4 Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

## **5. Resolution 5: Approval to issue Creditor Shares**

### **5.1 Background**

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 2,500,000 Creditor Shares (on a post consolidation basis) to creditors of the Company at a deemed issue price of \$0.02 (2 cents) per Creditor Share. The Creditor Shares will be issued in satisfaction of outstanding creditor balances (excluding any monies owing to Denlin Nominees). The creditors of the Company are not related parties of the Company and have previously provided services to the Company.

As at the date of this Notice, the outstanding creditor balances are in excess of \$90,000. The maximum number of Creditor Shares to be issued to the creditors is capped at 2,500,000 (on a post consolidation basis). As referred to in section 3.1, the Company intends to issue the Creditor Shares as part of a renegotiation of historical settlement agreements with existing creditors. If such renegotiated settlements require scrip in excess of 2,500,000 Creditor Shares, Denlin Nominees has agreed that it will nominate the relevant creditor/s to be issued the number of Conversion Shares as required.

## **5.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is provided in section 2.2 above. The effect of Shareholders passing Resolution 5 will mean that this issue will not reduce the Company's 15% annual placement capacity under Listing Rule 7.1.

## **5.3 Information required by Listing Rule 7.3**

Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with Listing Rule 7.1 must include the following information:

- (a) the maximum number of Creditor Shares which may be issued under Resolution 5 is 2,500,000;
- (b) the Creditor Shares will be issued at a deemed issue price of \$0.02 (2 cents) per Share;
- (c) the recipients of the Creditor Shares will be various creditors of the Company (or their nominees) each of whom are not a related party of the Company;
- (d) the Creditor Shares will be allotted and/or issued progressively but in any event no later than three (3) months after the date of the Meeting;
- (e) the Creditor Shares will rank pari passu with the Company's existing Shares;
- (f) there will be no funds raised from the issue of the Creditor Shares but the Creditor Shares will be issued to satisfy outstanding creditor balances of the Company; and
- (g) a voting exclusion statement is included in the Notice.

## **5.4 Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

## **6. Resolution 6: Appointment of Jonathan Pearce as Director**

### **6.1 Background**

Resolution 6 seeks Shareholder approval for the Directors to appoint Mr Jonathan Pearce as a Director with effect from the date of the Meeting.

In accordance with clause 13.5 of the Constitution, the Company in general meeting may by ordinary resolution appoint a person as an additional Director.

Mr Jonathan Pearce, having consented to act, seeks approval to be appointed as a Director with effect from completion of the Placement as per Resolution 2 of this Notice.

### **6.2 Candidate Director's Profile - Mr Jonathan Pearce**

Jonathan has worked in the finance industry for 15 years, focused primarily on funds management and corporate finance for small and mid-cap companies listed on the ASX. Prior to joining CVC, Jonathan held senior roles at Blue Ocean Equities and Canaccord Genuity and is currently a Portfolio Manager of the CVC Emerging Companies Fund.

### **6.3 Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

## **7. Resolution 7: Approval to issue Remuneration Shares to Jonathan Pearce**

### **7.1 Background**

Resolution 7 seeks Shareholder approval for the purpose of Listing Rule 10.11 and all other purposes for the future issue of Remuneration Shares (on a post consolidation basis) to Mr Jonathan Pearce in consideration for up to 100% of the Director's fees payable to him for the period of his appointment as a Director to 31 August 2020 which fees are \$30,000 in the event Mr Pearce elects to take Remuneration Shares in lieu of the Company making a physical cash payment for up to 100% of future Directors fees owed. The Remuneration Shares will be issued monthly. The deemed issue price of the Remuneration Shares will be the monthly VWAP for Shares each

month, when the fees are due and payable. The Remuneration Shares will be issued to Mr Jonathan Pearce (or his nominee) within 10 business days of the end of each month.

It is the view of Directors that the proposed issue of Remuneration Shares pursuant to Resolutions 7 falls within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the position held by the Director. Accordingly, the Directors are not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to Listing Rule 10.11.

## **7.2 ASX Listing Rule 10.11**

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the company. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to the Directors as approval is being obtained under Listing Rule 10.11.

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolution 7:

- (a) the Remuneration Shares will be issued to a related party who is Mr Jonathan Pearce and he is a related party by virtue of being a Director of the Company;
- (b) the maximum number of Shares to be issued by the Company will be determined on a monthly basis by dividing the monthly directors' fees payable by the monthly VWAP for Shares in arrears for each month for the period from the date of Mr Pearce's appointment as a Director to 31 August 2020 and any fractions of Shares resulting from the calculation will be rounded down to the nearest whole number;
- (c) the Company has requested an ASX waiver from the requirement that the Shares be issued within one month after the date of the Meeting and, should the request be successful, allotment of the Shares will occur on a monthly basis when Directors' fees become payable to Mr Pearce and within 10 business days of the end of each month. If the ASX Waiver is refused or not granted prior to the Meeting then this Resolution 7 will be withdrawn;
- (d) the Shares to be issued will rank pari passu with the Company's existing Shares;
- (e) the Shares will be issued as satisfaction for up to 100% of the Directors' fees payable to Mr Pearce for the period from the date of Mr Pearce's appointment as a Director to 31 August 2020 which is \$30,000 and the Shares will be issued at a deemed issue price calculated as the monthly VWAP for Shares in arrears for each month;
- (f) there will not be any funds raised through the issue of the Remuneration Shares but the Company will be able to reduce its liabilities by up to \$30,000 for the period from the date of Mr Pearce's appointment as a Director to 31 August 2020; and
- (g) A voting exclusion statement is included in the Notice of Meeting of which this Explanatory Statement forms part.

The maximum number of Remuneration Shares which may be issued is not certain because the number of Remuneration Shares to be issued to Mr Pearce is based on the monthly VWAP for Shares and is also subject to Mr Pearce electing to receive Remuneration Shares in lieu of Director's fees.

Accordingly, the below table is provided for indicative purposes only, based on the subscription price under the Placement (\$0.02) and a 50% premium (\$0.03) and a 50% discount (\$0.01) to that price.

<b>Future deemed issue price</b>	<b>Maximum No. of Remuneration Shares issued under Resolution 7</b>	<b>Total Shares in which Jonathan Pearce has a relevant interest</b>	<b>% Voting power held by Jonathan Pearce</b>	<b>% Dilution to Shareholders<sup>1</sup></b>
-	-	0 <sup>2</sup>	[0]%	-
Subscription price under Placement: \$0.02	1,500,000	1,500,000	1.16%	0.98%
50% premium: \$0.03	1,000,000	1,000,000	0.83%	0.66%
50% discount: \$0.01	3,000,000	3,000,000	2.14%	1.97%

**Notes**

## 1. Assuming that:

- (a) Jonathan Pearce elects to receive Remuneration Shares in lieu of 100% of Directors fees accrued in the period from his appointment as a Director to 31 August 2020; and
- (b) all Resolutions the subject of this Notice are passed resulting in a total of 152,419,309 Shares on issue after the Meeting (on a post consolidation basis) which assumes the maximum number of Conversion Shares, Creditor Shares and oversubscriptions in the Placement are issued (see the table in section 1.2 for further details); and
- (c) assuming no other Shares are issued.

## 2. Calculated on a post consolidation basis.

The Company's Annual Report for any period during which the Remuneration Shares are issued to Mr Jonathan Pearce (or his nominee) shall disclose the details of the number of Remuneration Shares that were issued to him, including the percentage of the Company's issued capital represented by those Shares.

**7.3 Board Recommendation**

No current Director has an interest in the outcome of Resolution 7. However, as the Directors are Key Management Personnel for the purposes of the Corporations Act, a voting exclusion statement is set out in this Notice and according, the Board will not be making a recommendation as to voting on Resolution 7.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Advisor Options**” means the Options with an exercise price of \$0.025 and expiry date of 31 December 2022 issued on the terms and conditions contained in Annexure A to the Explanatory Statement;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Settlement Operating Rules**” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESS approved securities;

“**Board**” means the Directors acting as the board of Directors of the Company;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**CHESS**” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“**Closely Related Party**” has the meaning given in section 9 of the Corporations Act;

“**Company**” means Stemify Limited ABN 009 256 535;

“**Consolidation**” has the meaning given to it in Section 1.1;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Conversion Liabilities**” has the meaning given to it in Section 4.1;

“**Conversion Options**” means the Tranche 1 Conversion Options, Tranche 2 Conversion Options and Tranche 3 Conversion Options;

“**Conversion Securities**” has the meaning given to it in Resolution 4;

“**Conversion Share**” has the meaning given to it in Resolution 4;

“**Creditor Share**” has the meaning given to it in Resolution 5;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Denlin Nominees**” means Denlin Nominees Pty Ltd ACN 008 905 940;

“**Director**” means a Director of the Company;

“**Effective Date**” has the meaning given to it in Section 1.1;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Forrest Capital**” means Forrest Capital Pty Ltd ACN 118 115 834;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means this notice of meeting;

“**Option**” means an option to acquire a Share upon exercise prior to the relevant expiry date;

“**Performance Rights**” means performance rights which convert on a one for one basis to Shares upon exercise subject to the achievement of certain vesting conditions and/or performance milestones prior to the relevant expiry date;

“**Placement**” has the meaning given to it in section 2.1;

“**Placement Shares**” has the meaning given to it in Resolution 2;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Shares**” has the meaning given to it in Resolution 7;

“**Resolution**” means a resolution referred to in the Notice;

“**Schedule**” means schedule to the Notice;

“**Section**” means a section of the Explanatory Statement;

**“Security”** means a Share, Option or Performance Right.

**“Share”** means a fully paid ordinary share in the capital of the Company;

**“Shareholder”** means shareholder of the Company;

**“Trading Day”** means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

**“Tranche 1 Conversion Options”** means the Options with an exercise price of \$0.05 and expiry date of 30 June 2023 issued on the terms and conditions contained in Annexure B to the Explanatory Statement;

**“Tranche 2 Conversion Options”** means the Options with an exercise price of \$0.05 and expiry date of 30 June 2023 issued on the terms and conditions contained in Annexure B to the Explanatory Statement;

**“Tranche 3 Conversion Options”** means the Options with an exercise price of \$0.05 and expiry date of 30 June 2023 issued on the terms and conditions contained in Annexure B to the Explanatory Statement;

**“VWAP”** means volume weighted average price.

## ANNEXURE A –TERMS AND CONDITIONS OF THE ADVISOR OPTIONS

### 1. Entitlement

Each Option (**Advisor Option**) entitles the holder to subscribe for one Share upon exercise of the Advisor Option.

### 2. Exercise Price and Expiry Date

The Advisor Options each have an exercise price of \$0.025 (**Exercise Price**) and an expiry date of 31 December 2022 (**Expiry Date**).

### 3. Exercise Period

The Advisor Options are exercisable at any time on or prior to the Expiry Date.

### 4. Notice of Exercise

The Advisor Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Advisor Option being exercised. Any Notice of Exercise of an Advisor Option received by the Company will be deemed to be a notice of the exercise of that Advisor Option as at the date of receipt.

### 5. Shares issued on exercise

Shares issued on exercise of the Advisor Options will rank equally with the then shares of the Company.

### 6. Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Advisor Options.

### 7. Timing of issue of Shares

After an Advisor Option is validly exercised, the Company must, within, 15 Business Days of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the Advisor Option:

- (a) issue the Share; and
- (b) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 Business Days after issuing the Shares.

### 8. Participation in new issues

There are no participation rights or entitlements inherent in the Advisor Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Advisor Options. However, the Company will give holders of the Advisor Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

### 9. 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):

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

### 10. Adjustment for entitlement issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Advisor Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O = the old Exercise Price of the Advisor Option.

E = the number of underlying Shares into which one Advisor Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.



**11. Adjustments for reorganisation**

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

**12. Advisor Options not quoted**

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

**13. Advisor Options transferable**

The Advisor Options are transferable.

**14. Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Advisor Options with the appropriate remittance should be lodged at the Company's share registry.

## ANNEXURE B –TERMS AND CONDITIONS OF THE CONVERSION OPTIONS

### 1. Entitlement

Each Conversion Option (**Conversion Option**) entitles the holder to subscribe for one Share upon exercise of the Conversion Option.

### 2. Exercise Price and Expiry Date

The Conversion Options each have an exercise price of \$0.05 (**Exercise Price**) and an expiry date of 30 June 2023 (**Expiry Date**).

### 3. Number of Conversion Options and Vesting

A total of 37,500,000 Conversion Options will be granted to the holder in three tranches subject to the relevant condition (each a **Vesting Condition**) being satisfied, as set out in the table below. Each tranche of Conversion Options will vest on the date the relevant Vesting Condition is satisfied (**Vesting Date**).

Tranche	Number of Conversion Options	Vesting Condition
Tranche 1	12,500,000	No Vesting Condition. Fully vested on the date the Tranche 1 Conversion Options are granted.
Tranche 2	12,500,000	The Company's share price reaching a 5 day volume weighted average price ( <b>VWAP</b> ) of \$0.075 or more.
Tranche 3	12,500,000	The Company's share price reaching a 5 day VWAP of \$0.10 or more.

### 4. Exercise Period

The Conversion Options are exercisable at any time on or after the Vesting Date and on or prior to the Expiry Date.

### 5. Notice of Exercise

The Conversion Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Conversion Option being exercised. Any Notice of Exercise of a Conversion Option received by the Company will be deemed to be a notice of the exercise of that Conversion Option as at the date of receipt.

### 6. Shares issued on exercise

Shares issued on exercise of the Conversion Options will rank equally with the then shares of the Company.

### 7. Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Conversion Options.

### 8. Timing of issue of Shares

After a Conversion Option is validly exercised, the Company must, within, 15 Business Days of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the Conversion Option:

- (a) issue the Share; and
- (b) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 Business Days after issuing the Shares.

### 9. Participation in new issues

There are no participation rights or entitlements inherent in the Conversion Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Conversion Options. However, the Company will give holders of the Conversion Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

### 10. 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):

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

**11. Adjustment for entitlement issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of a Conversion Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O = the old Exercise Price of the Conversion Option.

E = the number of underlying Shares into which one Conversion Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

**12. Adjustments for reorganisation**

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

**13. Conversion Options not quoted**

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

**14. Conversion Options transferable**

The Conversion Options are transferable.

**15. Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Conversion Options with the appropriate remittance should be lodged at the Company's share registry.

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**LODGE YOUR PROXY APPOINTMENT ONLINE**



**ONLINE PROXY APPOINTMENT**  
[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



**MOBILE DEVICE PROXY APPOINTMENT**  
 Lodge your proxy by scanning the QR code below, and enter your registered postcode.  
 It is a fast, convenient and a secure way to lodge your vote.

Sub-Register	CHES
HIN / SRN	

**2019 GENERAL MEETING PROXY FORM**

I/We being shareholder(s) of Stemify Limited and entitled to attend and vote hereby:

STEP 1

**APPOINT A PROXY**

The Chairman of the meeting **OR**

**PLEASE NOTE:** If you leave the section blank, the Chairman of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at **The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Tuesday 30 July 2019 at 9.00am (WST)** and at any adjournment or postponement of that Meeting.

**CHAIRMAN'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:**

The Chairman intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chairman may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2

**VOTING DIRECTIONS**

**Resolutions**

		For	Against	Abstain*
1	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval to issue Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval to issue Conversion Securities to Denlin Nominees in repayment of loans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval to grant Advisor Options to Forrest Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval to issue Shares to creditors in satisfaction of creditor balances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Appointment of Jonathan Pearce as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Approval to issue Remuneration Shares to Jonathan Pearce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

**PLEASE NOTE:** If you appoint the Chairman as your proxy (or if he is appointed by default) but do not direct him how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chairman may vote as he sees fit on that resolution.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

#### Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9.00am (WST) on 28 July 2019, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



#### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 9262 3723



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033