



Share Purchase Plan Offer Booklet

Skyfii Limited (ACN 009 264 699)

The Skyfii Share Purchase Plan (**SPP**) provides eligible shareholders with the opportunity to subscribe for up to \$15,000 of Skyfii shares (**SPP Shares**) in increments of \$1,000 without incurring brokerage and transaction costs (**SPP Offer**).

Details of the SPP Offer and how to participate are set out in this Share Purchase Plan Offer Booklet (**Offer Booklet**). This Offer Booklet contains important information and you should read it carefully before deciding to apply for SPP Shares.

If you have any questions about the SPP, please contact Skyfii's Company Secretary, Heath Roberts, on +61 419 473 925.

The distribution of this Offer Booklet (including electronic copies) outside Australia and New Zealand may be restricted by law.

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES



12 January 2017

Dear Eligible Shareholder

Skyfii Share Purchase Plan

On behalf of the Board, I am pleased to offer you the opportunity to participate in Skyfii's Share Purchase Plan (**SPP**) which was announced on Thursday, 15 December 2016. The SPP provides each eligible shareholder with the opportunity to subscribe for up to \$15,000 of Skyfii shares (**SPP Shares**) in increments of \$1,000 without incurring brokerage or other transaction costs.

On Thursday, 15 December 2016, we announced that Skyfii had conducted a successful capital raising to raise gross proceeds of \$4.1 million (**Capital Raising**) to build on the recent momentum of the business following quarter on quarter revenue growth off the back of significant client wins.

The Capital Raising consisted of an unconditional placement of fully paid ordinary shares at an issue price of \$0.063 per share to raise approximately \$2.5 million before costs and a conditional placement, subject to shareholder approval on Monday, 6 February 2017, at the same price to raise approximately \$1.6 million before costs.

Proceeds of the SPP will be utilised for additional working capital for the Company's current growth strategy.

Eligible shareholders may apply for SPP Shares valued at a minimum of \$1,000 up to a maximum of \$15,000 in increments of \$1,000. The issue price that eligible shareholders will pay per SPP Share is \$0.063 (**Issue Price**). The Issue Price represents a 3% discount to the last close price on Wednesday, 11 January 2017, and is the same as the issue price under the Capital Raising. Participation in the SPP is optional and the SPP closes at 5.00pm (Sydney time) on Thursday, 9 February 2017.

Skyfii may in its absolute discretion undertake a scale back of applications for SPP Shares.

Full details on the SPP, including information on how to determine if you are eligible to participate and how to apply, are set out in this Offer Booklet and the application form. I encourage you to read these documents carefully and in full.

If you have any questions in relation to the SPP or how to complete the application form, please contact Skyfii's Company Secretary, Heath Roberts, at any time between 8:30am to 5:30pm (Sydney time) Monday to Friday on +61 419 473 925.

Your continued support of Skyfii is appreciated and we hope that you consider taking up this offer as an opportunity to increase your shareholding in Skyfii.

A handwritten signature in black ink, appearing to read "J Scott", with a stylized flourish at the end.

James Scott
Chairman, Skyfii Limited



SKYFII SHARE PURCHASE PLAN

KEY DATES*

Action	Date*
Record Date (for determining eligibility to participate in the SPP)**	7.00pm on Wednesday, 14 December 2016
SPP Offer Opening Date	9.00am on Monday, 16 January 2017
SPP Offer Closing Date	5.00pm on Thursday, 9 February 2017
Announcement of the number of SPP Shares to be issued and, if applicable, the outcome of any scale back	Monday, 13 February 2017
Dispatch of holding statements for SPP Shares	Tuesday, 14 February 2017
SPP Shares expected to commence trading on ASX	Wednesday, 15 February 2017

* Skyfii reserves the right, and has absolute discretion, to change the dates above (other than the Record Date) and will announce any such change to the ASX.

** If you are an Eligible Shareholder with a registered address in New Zealand you must also continue to hold Skyfii Shares on the SPP Offer Opening Date to be eligible to participate in the SPP.

All references to time in this Offer Booklet are references to Sydney, Australia time.



IMPORTANT INFORMATION

This Offer Booklet is an important document. Please read it carefully before deciding whether to subscribe for any SPP Shares. This Offer Booklet does not provide financial product advice or investment advice and has been prepared without taking into account your particular objectives, financial situation or needs. If you wish to apply for SPP Shares, it is recommended that you seek professional guidance which takes into account your particular investment objectives, financial situation and needs from a professional adviser who is licensed by ASIC to give such advice.

If you apply to participate in the SPP, you are accepting the risk that the market price of Skyfii Shares may change between the date on which you lodge your Application and the date SPP Shares are issued. This means it is possible that, up to or after the date SPP Shares are issued, you may be able to buy Skyfii Shares at a lower price than the Issue Price.

Capitalised terms used in this Offer Booklet have the defined meanings set out in the Glossary, which begins on page 14 of this Offer Booklet.

All references to \$ or dollars in this Offer Booklet are references to Australian dollars unless otherwise indicated.

Offering restrictions

This Offer Booklet is intended for use only in connection with the offer of SPP Shares to Eligible Shareholders with a registered address in Australia or New Zealand. No action has been taken to permit an offering of SPP Shares in any jurisdiction outside of Australia and New Zealand. The distribution of this Offer Booklet may be restricted by law and persons (including nominees and custodians) who come into possession of it should observe any such restrictions.

Not for distribution or release in the United States

This Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The SPP Shares have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any US state or other jurisdiction of the United States, and may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements under the US Securities Act and any applicable United States state securities laws.

Important information for shareholders in New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Important information for custodians

Due to legal restrictions, nominees and custodians may not distribute this Offer Booklet, and may not permit any beneficial shareholder to participate in the SPP, in any country outside Australia or New Zealand without the consent of Skyfii.



HOW DO I APPLY FOR SPP SHARES?

If you are an Eligible Shareholder and would like to participate in the SPP, you can either:

1. **Apply by BPAY®:** Apply by making your application payment by BPAY. To do this, you must use the Reference Number shown on your Application Form, which is required to identify your holding. Contact your financial institution to make your application payment from your cheque or savings account. If you make your application payment with BPAY you do not need to return your Application Form.

OR

2. **Apply using your Application Form:** Complete the Application Form, attach a cheque, bank draft or money order and submit your Application in accordance with the instructions on the Application Form:
 - Cheques, bank drafts and money orders should be made payable to "Skyfii SPP"; and
 - Application Forms together with your application payment should be submitted in the reply paid envelope (New Zealand holders will need to affix the appropriate postage) enclosed to:

Skyfii Limited
C/- Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

All Applications and application payments must be received **no later than 5.00pm (Sydney time) on Thursday, 9 February 2017**. If you are paying by BPAY, then please check your daily transaction limit and the processing cut-off time for BPAY with your financial institution. If you are sending the payment by post, then please leave several days for delivery.

You will not be able to withdraw or revoke your Application or application payment once you have submitted it.

FREQUENTLY ASKED QUESTIONS

You should read these frequently asked questions in conjunction with the SPP Terms and Conditions which begin on page 9.

- 1 *What is the SPP?* The SPP provides Eligible Shareholders with the opportunity to subscribe for up to \$15,000 of SPP Shares, without incurring brokerage and other transaction costs.
- 2 *Who is eligible to participate in the SPP?* You are an Eligible Shareholder and able to participate in the SPP if:

 - you were a registered holder of SKYFII Shares at 7.00pm Wednesday, 14 December 2016 (**Record Date**);
 - you have a registered address in either Australia or New Zealand (and if in New Zealand, you continue to hold Skyfii Shares on the SPP Offer Opening Date);
 - you do not hold Skyfii Shares on behalf of another person who resides outside Australia or New Zealand; and
 - you are not, and are not acting for the account or benefit of, a person in the United States.

The SPP is also being offered to Eligible Shareholders who are Custodians, who wish to participate in the SPP on behalf of Eligible Beneficiaries, provided that the Custodian complies with the SPP Terms and Conditions. Refer to question 12 for further information.

Skyfii will not issue SPP Shares to an Eligible Shareholder if those SPP Shares, either alone or in conjunction with the issue of SPP Shares under other Applications, would contravene any law, including ASIC Class Order [CO 09/425].
- 3 *Do I have to participate in the SPP?* No. Participation is optional.
You do not need to do anything if you do not want to participate.
If you do not participate, you will retain your existing Skyfii Shares.
- 4 *Can I transfer the SPP Offer?* No – the SPP Offer is non-renounceable. This means you cannot transfer your right to purchase SPP Shares to anyone.
- 5 *Why are only Shareholders in Australia and New Zealand able to participate?* Skyfii has determined that it is not practicable for Shareholders with addresses on the Register outside Australia and New Zealand to participate in the SPP Offer, having regard to the time and cost involved in extending the SPP Offer into other countries.
- 6 *How much will Skyfii raise under the SPP?* The SPP is not capped, however Skyfii reserves absolute discretion to scale back Applications to the extent and in the manner that it sees fit.
- 7 *What is the Issue* The issue price of each SPP Share is \$0.063 (Issue Price). The Issue Price

- Price?* represents a 3.0% discount to the last close price on Wednesday, 11 January 2017, and is the same as the issue price under the Capital Raising.
- 8 *How much can I invest under the SPP?* If you are an Eligible Shareholder, you may apply for a minimum value of \$1,000 SPP Shares and a maximum value of \$15,000 SPP Shares, in increments of \$1,000.
Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Skyfii Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$15,000 across all of their holdings.
- 9 *How many SPP Shares will I receive if I apply?* The number of SPP Shares you will receive will be calculated using the following formula (rounded down to the nearest whole number of SPP Shares):
$$\frac{X}{\$0.063}$$

where "X" is the value of SPP Shares (at the Issue Price) you have applied for and which has been accepted by Skyfii after any scale back.
For example, if you apply for \$15,000 of SPP Shares and there is no scale back, you will receive 238,095 SPP Shares determined as follows:
$$\frac{\$15,000}{\$0.063} = 238,095.24 \text{ SPP Shares (or 238,095 SPP Shares after rounding)}$$
- 10 *How will any difference between my application payment and the money applied to my SPP Shares (after any scale back) be treated?* The difference between the value of SPP Shares issued to you (calculated at the Issue Price) and your application payment will be refunded to you without interest by (as Skyfii elects) direct credit to your nominated account (as recorded on the Register) or by cheque.
- 11 *What do I do if I am a Custodian?* The SPP includes Eligible Shareholders who are Custodians and who wish to apply for SPP Shares on behalf of Eligible Beneficiaries.
Custodians are not required to participate on behalf of their Eligible Beneficiaries. Custodians may choose whether or not to apply for SPP Shares on behalf of their Eligible Beneficiaries.
If you wish to apply as a Custodian to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (as required under the terms of ASIC Class Order [CO 09/425]) before your Application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.
By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not

exceeded the Maximum Application Amount.

Skyfii is not required to determine, and will not determine, the identity or residence of any beneficial owners of Skyfii Shares. Each Custodian will need to determine for itself whether its beneficiaries are Eligible Beneficiaries.

Each Custodian must not participate in the SPP on behalf of, and must not distribute this Offer Booklet or any other documents relating to this SPP to, any person in the United States or elsewhere outside Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.

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| 12 | <i>What are the rights attached to SPP Shares?</i> | SPP Shares will rank equally with existing Skyfii Shares in all respects and will have the same entitlements for voting, dividends and other entitlements. |
| 13 | <i>Can I withdraw my Application (e.g. if the market price of Skyfii Shares changes after submitting my Application)?</i> | <p>No. Your Application, once made, is unconditional and may not be withdrawn even if the market price of Skyfii Shares is less than the Issue Price.</p> <p>By submitting your Application, you are accepting the risk that the market price of Skyfii Shares may change between the date on which you lodge your Application and the date SPP Shares are issued. This means that, up to or after the date the SPP Shares are issued, you may be able to buy Skyfii Shares at a lower price than the Issue Price.</p> |
| 14 | <i>How long is the offer period?</i> | The offer period is from Monday, 16 January 2017 to 5.00pm on Thursday, 9 February 2017. Applications must be received by the Registry before 5.00pm on Thursday, 9 February 2017. Please refer to the section titled “HOW DO I APPLY FOR SPP SHARES?” on page 5 of this Offer Booklet for further instructions on how to apply for SPP Shares. |
| 15 | <i>When will I receive my SPP Shares under the SPP, and when can I sell my SPP Shares?</i> | <p>SPP Shares are expected to be issued on Tuesday, 14 February 2017, and are expected to commence trading on ASX on Wednesday, 15 February 2017.</p> <p>Holding statements confirming the issue of the SPP Shares are expected to be dispatched to participating Eligible Shareholders on or around Tuesday, 14 February 2017. You should confirm your holding before trading any SPP Shares which you believe have been issued to you under the SPP.</p> |
| 16 | <i>What are the costs associated with the SPP?</i> | There are no brokerage, commissions or other transaction costs payable by you when you apply for, or are issued, SPP Shares. |
| 17 | <i>Where can I get more information on the SPP?</i> | If you have any questions, please contact Skyfii’s Company Secretary, Heath Roberts, at any time between 8:30am to 5:30pm (Sydney time) Monday to Friday on +61 419 473 925. |



Skyfii Limited Share Purchase Plan Terms and Conditions

SPP TERMS AND CONDITIONS

Important Notice:

Please read these SPP Terms and Conditions carefully, as you will be bound by them if you accept the SPP Offer. Eligible Shareholders accepting the SPP Offer will also be bound by the constitution of Skyfii.

Capitalised terms used in these SPP Terms and Conditions have the defined meanings set out in the Glossary, which begins on page [14] of this Offer Booklet.

1. Offer

- 1.1. Skyfii offers each Eligible Shareholder, the opportunity to purchase up to \$15,000 worth of SPP Shares under the SPP subject to and in accordance with these SPP Terms and Conditions.
- 1.2. In these SPP Terms and Conditions, the “**SPP Offer**” means the offer in clause 1.1.
- 1.3. The SPP Offer opens on Monday, 16 January 2017 and closes at 5.00pm on Thursday, 9 February 2017.
- 1.4. The SPP Offer is non-renounceable. This means you cannot transfer the offer to a third party.
- 1.5. The SPP Offer to each Eligible Shareholder (whether you are a Custodian or you hold Skyfii Shares on your own account) is made on these SPP Terms and Conditions.
- 1.6. All references to time in these SPP Terms and Conditions are references to Sydney, Australia time, unless otherwise indicated.

2. Eligible Shareholders

- 2.1. You are an Eligible Shareholder if you:
 - (a) were a registered holder of Skyfii Shares at 7.00pm on the Record Date;
 - (b) have a registered address in either Australia or New Zealand (and if in New Zealand, you continue to hold Skyfii Shares on the SPP Offer Opening Date);
 - (c) do not hold Skyfii Shares on behalf of another person who resides outside Australia or New Zealand; and
 - (d) are not, and are not acting for the account or benefit of, a person in the United States.
- 2.2. The SPP Offer is being made to New Zealand Shareholders in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).
- 2.3. The SPP Offer is not made to Shareholders with a registered address outside of Australia or New Zealand.

3. Joint holders

- 3.1. For the purposes of determining your eligibility, if two or more persons are registered on the register as jointly holding Skyfii Shares, they are taken to be a single registered holder of Skyfii Shares. An agreement, acknowledgment or certification given by any joint holder of Skyfii Shares is taken to be an agreement, acknowledgment or certification given by all joint holders.
- 3.2. Subject to these terms and conditions, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Skyfii Shares.

4. Applications for SPP Shares

- 4.1. If you are an Eligible Shareholder, you may apply for a minimum value of \$1,000 SPP Shares and a maximum value of \$15,000 SPP Shares, in increments of \$1,000.
- 4.2. You will not be charged brokerage or other transaction costs on the acquisition of SPP Shares.
- 4.3. If you are an Eligible Shareholder who wishes to apply for SPP Shares you must either:
 - (a) **Apply by BPAY:** apply by making your application payment by BPAY. To do this, you must use the Reference Number shown on your Application Form, which is required to identify your holding. Contact your financial institution to make your application payment from your cheque or savings account. **If you make your application payment with BPAY you do not need to return your Application Form.**
 - OR
 - (b) **Apply using your Application Form:** complete the Application Form, attach a cheque, bank draft or money order and submit your Application in accordance with the instructions on the Application Form:
 - (i) Cheques, bank drafts and money orders should be made payable to “Skyfii SPP”; and
 - (ii) Application Forms together with your application payment should be submitted in the reply paid envelope (New Zealand holders will need to affix the appropriate postage) enclosed to:

Skyfii Limited
C/- Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

- 4.4. If the amount of the cheque, bank draft or money order submitted to the Registry with your Application Form or your BPAY payment is for:
 - (a) an amount less than \$1,000 – Skyfii will not issue any SPP Shares to you and will refund your application payment to you;
 - (b) an amount greater than \$15,000 – subject to scale back, Skyfii will allocate you the Maximum Application Amount and will refund the excess application payment to you; or
 - (c) for an amount that is between \$1,000 and \$15,000 but is not in an increment of \$1,000 – Skyfii may (in its discretion) round down the dollar amount of your application payment to the next lowest amount which is an increment of \$1,000.
- 4.5. Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Skyfii Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$15,000 across all of their holdings.
- 4.6. If you are a Custodian, you may spend up to \$15,000 applying for SPP Shares for each underlying Eligible Beneficiary subject to you providing the certifications required by ASIC Class Order [CO 09/425] by annexing to your Application Form a Custodian Certificate for the total of your Application addressed to Skyfii which contains the following information:
 - (a) confirmation of either or both of the following:
 - (i) that you hold Skyfii Shares on behalf of one or more other persons (each a “**Participating Beneficiary**”) that are not Custodians provided that each Participating Beneficiary is not in the United States and is not acting for the account or benefit of a person in the United States; or
 - (ii) that another Custodian (**Downstream Custodian**) holds beneficial interests in Skyfii Shares on behalf of a Participating Beneficiary, and you hold the Skyfii Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian;
 - (b) confirmation that each Participating Beneficiary has subsequently instructed the following persons:
 - (i) where clause 4.6(a)(i) above applies – you; or
 - (ii) where clause 4.6(a)(ii) above applies – the Downstream Custodian, to apply for SPP Shares on their behalf;
 - (c) the number of Participating Beneficiaries and their names and addresses;
 - (d) in respect of each Participating Beneficiary:
 - (i) where clause 4.6(a)(i) above applies – the number of Skyfii Shares that you hold on their behalf; or
 - (ii) where clause 4.6(a)(ii) above applies – the number of Skyfii Shares to which the beneficial interests relate;
 - (e) in respect of each Participating Beneficiary:
 - (i) where clause 4.6(a)(i) above applies – the number or the dollar amount of SPP Shares they have instructed you to apply for on their behalf; or
 - (ii) where clause 4.6(a)(ii) above applies – the number or the dollar amount of SPP Shares they have instructed the Downstream Custodian to apply for on their behalf;
 - (f) confirming that there are no Participating Beneficiaries in respect of which the total of the Application price for the following exceeds \$15,000:
 - (i) the SPP Shares applied for by you in accordance with the instructions referred to in clause 4.6(e)(i) above; and
 - (ii) any other Skyfii Shares issued to you in the 12 months before the Application as a result of an instruction given by them to you or the Downstream Custodian to apply for Skyfii Shares on their behalf under an arrangement similar to the SPP;
 - (g) confirmation that a copy of these SPP Terms and Conditions was given to each Participating Beneficiary; and
 - (h) where clause 4.6(a)(ii) above applies – the name and address of each Custodian who holds beneficial interests in Skyfii Shares held by you in relation to each Participating Beneficiary (**Custodian Certificate**).
- 4.7. If you hold Skyfii Shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described above. In this case, the rules in clause 4.5 apply.
- 4.8. Custodians must contact the Registry by emailing david.parkinson@boardroomlimited.com.au to request a Custodian Certificate. Skyfii and its officers and agents, may accept or reject your Application for SPP Shares at its discretion including, without limit, if:
 - (a) your Application does not comply with these SPP Terms and Conditions;
 - (b) it appears you are not an Eligible Shareholder or, if you are a Custodian, it appears that you are not applying on behalf of Eligible Beneficiaries;

- (c) your Application Form and cheque, bank draft or money order or BPAY payment is not received by the Registry by the SPP Offer Closing Date;
- (d) if paying by cheque, bank draft or money order, your Application Form is incomplete or incorrectly completed or is otherwise determined by Skyfii to be invalid;
- (e) your cheque is dishonoured or your cheque, bank draft or money order has been incorrectly completed or your BPAY payment is incomplete or invalid;
- (f) it appears that you are applying to purchase more than \$15,000 worth of SPP Shares in aggregate (or more than \$15,000 worth of SPP Shares you hold directly, jointly or through a trustee, nominee or Custodian) or, if you are a Custodian, it appears that you are applying on behalf of a beneficiary for more than \$15,000 worth of SPP Shares in aggregate; or
- (g) your application payment is not submitted in Australian currency or, if payment is made by cheque, bank draft or money order, the cheque, bank draft or money order is not drawn on an Australian financial institution.

5. Issue Price

- 5.1. The Issue Price per SPP Share will be \$0.063. The Issue Price represents a 3.0% discount to the last close price on Wednesday, 11 January 2017, and is the same as the issue price under the Capital Raising.
- 5.2. The current market price of Skyfii Shares can be obtained from the ASX.
- 5.3. You agree to pay the Issue Price per SPP Share for the number of SPP Shares that are allocated to you in accordance with these SPP Terms and Conditions.

6. Number of SPP Shares to be issued

- 6.1. If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your Application is accepted, Skyfii will divide the value of your application payment by the Issue Price (as outlined under clause 5.1) in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- 6.2. If this calculation produces a fractional number, the number of SPP Shares you are issued will be rounded down to the nearest whole number of SPP Shares (refer to clause 10 for information on rounding in the event of a scale back).

7. Issue

- 7.1. SPP Shares will be issued on the Issue Date.
- 7.2. SPP Shares will rank equally with existing Skyfii Shares as at the Issue Date.
- 7.3. Skyfii will apply to ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on the ASX, and that trading of the SPP Shares will commence on Wednesday, 15 February 2017.
- 7.4. The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Tuesday, 14 February 2017.

8. Refunds

- 8.1. In the event of a scale back in accordance with clause 10, the difference between the value of the SPP Shares you are issued (calculated using the Issue Price) and your application payment will be refunded to you by Skyfii, without interest, following issue.
- 8.2. If no scale back is applied to your Application, your allocation of SPP Shares will be rounded down to the nearest whole number of SPP Shares. Any difference between the value of the SPP Shares you are issued (calculated at the Issue Price) and your application payment will be refunded to you without interest.
- 8.3. If you are entitled to a refund of all or any of your application payment, the refund will be paid to you, without interest, as soon as is practicable, by (as Skyfii elects) direct credit to the Australian bank account nominated by you for payment of Skyfii dividends or by cheque to your address shown on the Register.

9. Acknowledgements

- 9.1. By returning an Application Form with a cheque, bank draft or money order or making a payment via BPAY, you:
 - (a) irrevocably and unconditionally agree to these SPP Terms and Conditions and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
 - (b) acknowledge that you have read these terms and conditions in full and you warrant that all details and statements in your Application are true and complete and not misleading;
 - (c) agree that your Application is irrevocable and unconditional (that is, it cannot be withdrawn);
 - (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP for the amount of your Application;
 - (e) acknowledge that no interest will be paid on your application payment held pending the issue of SPP Shares or subsequently refunded to you for any reason;
 - (f) acknowledge that Skyfii and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these SPP Terms and Conditions;

- (g) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a person in the United States (in which case, you will not be eligible to participate in respect of that person);
 - (ii) the SPP Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any US state or other jurisdiction of the United States, and may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements under the US Securities Act and any applicable United States state securities laws;
 - (iii) you have not, and will not, send, release or distribute this Offer Booklet or any materials relating to the SPP to any person in the United States;
 - (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in regular way transactions on the ASX or Chi-X where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
 - (v) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand, and you have not sent this Offer Booklet, or any materials relating to the SPP to any person outside Australia and New Zealand;
- (h) if you are applying on your own behalf (and not as a Custodian) certify, acknowledge and agree that:
 - (i) you are not applying for SPP Shares with an Application price of more than \$15,000 under the SPP;
 - (ii) the total of the Application price for the following does not exceed \$15,000:
 - (A) the SPP Shares the subject of the Application;
 - (B) any other Skyfii Shares issued to you under the SPP or any similar arrangement in the 12 months before the Application;
 - (C) any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (D) any other Skyfii Shares issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Skyfii Shares on your behalf under an arrangement similar to the SPP;
- (i) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Skyfii Shares, acknowledge and agree that:
 - (i) you are a Custodian;
 - (ii) you held Skyfii Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this Offer Booklet;
 - (iii) you are not applying for SPP Shares on behalf of any Eligible Beneficiary with an aggregate Application price of more than \$15,000 under the SPP;
 - (iv) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (j) accept the risk associated with any refund that may be despatched to you by direct credit or cheque to your address shown on the Register;
- (k) are responsible for any dishonour fees or other costs Skyfii may incur in presenting a cheque for payment which is dishonoured;
- (l) agree to be bound by the constitution of Skyfii (as amended and as it may be amended from time to time in the future);
- (m) acknowledge that none of Skyfii, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (n) you authorise Skyfii, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (o) you acknowledge that Skyfii may at any time determine that your Application is valid, in accordance with these SPP Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (p) you authorise Skyfii, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail; and
- (q) you agree that where you have previously provided Skyfii or the Registry with bank account details for the purpose of direct credit of Skyfii dividends, any refund to be paid to you under these Terms and Conditions may be direct credited into that nominated account.

10. Scale Back

- 10.1. Skyfii may in its discretion scale back your Application for SPP Shares to the extent and in the manner it sees fit, including if the aggregate amount applied for by all Eligible Shareholders exceeds Skyfii's requirements.

10.2. If there is a scale back you may receive less than the parcel of SPP Shares for which you have applied.

10.3. If a scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be issued will be rounded down to the nearest whole number of SPP Shares.

11. Dispute resolution

11.1. Skyfii may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any Application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.

11.2. The powers of Skyfii under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors or senior officers of Skyfii.

12. Variation and termination

12.1. Skyfii reserves the right at any time to:

- (a) amend or vary these SPP Terms and Conditions;
- (b) waive strict compliance with any provision of these SPP Terms and Conditions;
- (c) withdraw the SPP Offer or suspend or terminate the SPP;
- (d) vary the timetable for the SPP, including the SPP Offer Closing Date; and
- (e) not accept an Application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Eligible Beneficiaries).

12.2. In the event that the SPP is withdrawn or terminated, all of your application payment will be refunded to you. No interest will be paid on any money returned to you.

13. Underwriting

13.1. The SPP is not underwritten.

14. Governing law

14.1. These SPP Terms and Conditions are governed by the laws in force in New South Wales. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of New South Wales. By accepting the SPP Offer, you agree to submit to the non-exclusive jurisdiction of the courts in New South Wales. Other terms and conditions, rights and obligations of SPP Shares are contained in the constitution of Skyfii. These SPP Terms and Conditions prevail to the extent of any inconsistency with the Application Form.

GLOSSARY

The following definitions apply throughout this Offer Booklet unless the context requires otherwise.

Application	an application for SPP Shares made in accordance with this Offer Booklet.
Application Form	your personalised application form enclosed with this Offer Booklet.
ASIC	Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 or the market operated by it as the context requires.
Beneficiary	either or both of the following: • one or more persons on whose behalf a Custodian holds Skyfii Shares; and/or • another custodian (Downstream Custodian) on whose behalf a Custodian holds Skyfii Shares where the Downstream Custodian holds the beneficial interests in the Skyfii Shares on behalf of one or more persons.
Capital Raising	the placement of new Skyfii Shares to new and existing sophisticated shareholders to raise gross proceeds of approximately \$4.1 million before costs, announced on Thursday, 15 December 2016.
Chi-X	Chi-X Australia Pty Limited (ACN 129 584 667).
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Custodian	a custodian as defined in paragraph 14 of ASIC Class Order [CO 09/425].
Custodian Certificate	has the meaning given in clause 4.6 of the SPP Terms and Conditions.
Director	a director of Skyfii.
Downstream Custodian	Another Custodian on whose behalf a Custodian holds Skyfii Shares who holds the beneficial interests in Skyfii Shares on behalf of one or more persons.
Eligible Beneficiary	a Beneficiary of a Custodian with a registered address in either Australia or New Zealand as at the Record Date (and, if in New Zealand, continues to be a Beneficiary from the Record Date to the SPP Offer Opening Date), provided that such Beneficiary is not in the United States and is not acting for the account or benefit of a person in the United States.
Eligible Shareholder	has the meaning given in clause 2.1 of the SPP Terms and Conditions.
Issue Date	Tuesday, 14 February 2017 (or such other date as Skyfii determines).
Issue Price	\$0.063 per SPP Share, representing a 3.0% discount to the last close price on Wednesday, 11 January 2017, and which is the



Maximum Application Amount	same as the issue price under the Capital Raising.
Minimum Application Amount	\$15,000.
Offer Booklet	\$1,000.
Offer Period	this Share Purchase Plan Offer Booklet.
Participating Beneficiary	the period commencing on the SPP Offer Opening Date and ending on the SPP Offer Closing Date.
Record Date	an Eligible Beneficiary, on whose behalf a Custodian has applied for SPP Shares, in accordance with clause 4.6 of the SPP Terms and Conditions.
Register	7.00pm on Wednesday, 14 December 2016.
Registry	the register of Shareholders maintained by the Registry.
Shareholder	Boardroom Pty Limited (ACN 003 209 836).
Skyfii	a registered holder of a Skyfii Share on the Register.
Skyfii Share	Skyfii Limited (ACN 009 264 699).
SPP	a fully paid ordinary share in Skyfii.
SPP Offer	the share purchase plan offer made to Eligible Shareholders under this Offer Booklet.
SPP Offer Closing Date	the offer in clause 1.1 of the SPP Terms and Conditions.
SPP Offer Opening Date	5.00pm on Thursday , 9 February 2017 (or such other date as Skyfii determines).
SPP Share	9.00am on Monday, 16 January 2017.
SPP Terms and Conditions	a new Skyfii Share issued under the SPP.
US Securities Act	the SPP terms and conditions, which begin on page 9 of this Offer Booklet.
	the United States Securities Act of 1933, as amended from time to time.

Share Purchase Plan – Application Form

Record Date: 7pm (AEDT) 14 December 2016

Opening Date: 16 January 2017

Closing Date: 5pm (AEDT) 9 February 2017

Issue Price: \$0.063

A Offer Details

This is an important document which requires your immediate attention. If you are in doubt as to how to deal with this document please contact your professional adviser.

Before applying for shares in Skyfii Limited (Skyfii) (**New Shares**) under the Share Purchase Plan (**SPP**) you should read the Offer Terms and Conditions and the Declarations and Acknowledgments on the back of this Application Form. Terms not defined in this Application Form have the same meaning as in the Offer Terms and Conditions. By making a BPAY payment or completing and returning this Application Form with a cheque or money order, you agree to be bound by the constitution of Skyfii and the Offer Terms and Conditions (including the eligibility requirements) and you make all of the acknowledgments, representations, declarations and certifications contained in the Offer Terms and Conditions.

This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.

Custodians cannot use this form to apply for multiple parcels of shares on behalf of distinct beneficiaries. Please see over.

If you do not wish to purchase New Shares under the SPP, there is no need to take any action.

B Offer Choice

Indicate your choice below by marking one box only. **The number of New Shares to be issued will be calculated by dividing your application amount by the Issue Price when it is determined as per the Offer Terms.**

☐

Offer A: \$1,000
(15,873 shares)

☐

Offer B: \$2,000
(31,746 shares)

☐

Offer C: \$3,000
(47,619 shares)

☐

Offer D: \$4,000
(63,492 shares)

☐

Offer E: \$5,000
(79,365 shares)

☐

Offer F: \$6,000
(95,238 shares)

☐

Offer G: \$7,000
(111,111 shares)

☐

Offer H: \$8,000
(126,984 shares)

☐

Offer I: \$9,000
(142,857 shares)

☐

Offer J: \$10,000
(158,730 shares)

☐

Offer K: \$11,000
(174,603 shares)

☐

Offer L: \$12,000
(190,476 shares)

☐

Offer M: \$13,000
(206,349 shares)

☐

Offer N: \$14,000
(222,222 shares)

☐

Offer O: \$15,000
(238,095 shares)

IMPORTANT NOTE: The total allowable application is \$15,000 per shareholder. By making an application for New Shares under the SPP, you certify that your application amount under the SPP does not exceed \$15,000. Any amounts over the \$15,000 total risk a delay in processing and missing this Offer.

THIS FORM CONTINUES OVERLEAF

C Payment Details

Payment may only be made by BPAY, cheque or money order. Cash will not be accepted via the mail or at the Skyfii Limited Share Registry. Payments cannot be made at any bank.

The amount of your payment received by BPAY, cheque or money order prior to the close, divided by the Issue Price, will be deemed to be the total number of New Shares you are applying for.

Payment Option 1 - BPAY



Billers Code:

Ref:

Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au
® Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution;
- If paying by BPAY you do not need to return the Application Form, but will be deemed to have submitted an Application Form.

Payment Option 2 - Cheque

Record cheque details below:

Drawer	Cheque No.	BSB No.	Account No.	Amount A\$

- Only cheques or money orders in Australian dollars and drawn on a bank or financial institution in Australia will be accepted;
- Your cheque or money order must be made payable to "Skyfii SPP" and crossed "Not Negotiable";
- Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected;
- Payments must be made via cheque or money order accompanying the Application Form.

D Contact Details

Please provide a telephone number and contact name in case we need to contact you regarding your application.

Home telephone number	Work telephone number	Contact name

E Custodians

Custodians cannot use this form to apply for multiple parcels of shares on behalf of distinct beneficiaries. To do so please contact Boardroom Pty Limited as below. To apply for New Shares on behalf of distinct beneficiaries, custodians must obtain a separate custodian certificate from Boardroom Pty Limited. Custodians must comply with the requirements of ASIC Class Order [CO 09/425] and provide evidence satisfactory to Skyfii Limited of the distinct holdings when accepting the offer. Each beneficial holder on whose behalf a custodian submits an application must be named in the custodian certificate and must have a registered address in either Australia or New Zealand at 7.00pm (AEDT) on the Record Date.

F Enquiries

If unsure how to complete this form, please contact the Skyfii Shareholder Information Line on 1300 737 760 or +612 9290 9600 if outside Australia.

G Declarations and Acknowledgments

By lodging this form with your cheque, money order or BPAY payment you acknowledge and confirm that you have read, understood and agree to and make all representations contained in the Offer Terms and Conditions. That is, by lodging this form with your cheque, money order or BPAY payment you represent that the total application price for the following does not exceed \$15,000:

- (a) the New Shares you are applying for; and
(b) any other New Shares or interests in the class which you have instructed a custodian to acquire on your behalf under this SPP.

Any personal information collected by Skyfii on this application form will be dealt with in accordance with applicable privacy requirements.

NO SIGNATURE IS REQUIRED ON THIS FORM

THIS OFFER IS NON-RENOUNCEABLE

**Application Forms and cheques, money orders or payment via BPAY
must be received no later than 5pm (AEDT) on 9 February 2017.**

You should allow sufficient time for this to occur. The postal acceptance rule does not apply to the SPP.

MAILING ADDRESS

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

DELIVERY ADDRESS

Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000