



ABN: 46 607 301 959

Notice of Annual General Meeting

23 November 2016

CHAIRMAN'S LETTER

30 September 2016

Dear Shareholder

I am pleased to invite you to attend the 2016 Annual General Meeting of Megaport Limited (**AGM**), which will be held at the following time and place:

Date Wednesday 23 November 2016

Time 12.00pm (Brisbane time)

Place Office of McCullough Robertson Lawyer, Level 11, 66 Eagle Street, Brisbane, Queensland

The business to be considered at the AGM is provided on pages 2 and 3 of this Notice of Meeting. An Explanatory Statement in relation to each of the proposed Resolutions is set out in the Explanatory Memorandum.

If you are able to attend the AGM, please bring the enclosed proxy form with you to facilitate registration at the AGM.

If you do not plan on attending the AGM, you are encouraged to appoint a proxy to attend and vote on your behalf. Instructions on how to appoint a proxy are detailed on the proxy form.

Proxies must be received no later than 7.00pm (Sydney time) on Monday 21 November 2016 to be valid for the AGM.

I also encourage you to submit any questions you may have on matters of concern, or matters for which you are seeking clarification, prior to the meeting.

A copy of Megaport's 2016 Annual Report is included with this Notice of Meeting for those Shareholders who have elected to receive a hard copy. A copy of the 2016 Annual Report is also available online at the Company's website www.megaport.com.

We look forward to seeing you at the AGM.

Yours faithfully



Bevan Slattery
Executive Chairman
Megaport Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Megaport Limited ACN 607 301 959 (**Company**) will be held at:

Location	Office of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, Queensland
Date	Wednesday 23 November 2016
Time	12.00pm (Brisbane time)

ORDINARY BUSINESS

Financial statements and reports

To receive and consider the Company's financial reports and the reports of the Directors and the auditor for the financial year ended 30 June 2016.

Directors' remuneration report

To consider and, if in favour, to pass the following resolution under section 250R(2) *Corporations Act 2001* (Cth) (**Corporations Act**):

- 1 'That the remuneration report of the Directors for the financial year ended 30 June 2016 be adopted.'

Note: This Resolution will be decided as if it were an ordinary (majority) Resolution, but under section 250R(3) *Corporations Act* the vote does not bind the Directors of the Company. Votes must not be cast on this Resolution by key management personnel (**KMP**) and closely related parties.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1.

Re-election of Director

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

- 2 'That Peter Norman Hase, who was appointed to the Board following the last Annual General Meeting of the Company, and being eligible, be re-elected as a Director of the Company under rule 19.2(b) of the Company's constitution.'

Note: Information about Mr Hase appears in the Explanatory Memorandum.

The Directors (with Mr Hase abstaining) unanimously recommend that you vote in favour of Resolution 2.

SPECIAL BUSINESS

Ratification and approval of the allotment and issue of Placement Shares

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

- 3 'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify and approve the issue of 10,500,000 Megaport Shares at \$1.70 per share to sophisticated and institutional investors under a private placement, as detailed in the Explanatory Memorandum.'

Note: Any person who participated in the issue of Megaport Shares referred to in Resolution 3 or any associate of any such person are restricted from voting on this Resolution.

The Directors (Mr Slattery and Mr Moore abstaining) unanimously recommend that you vote in favour of Resolution 3

Increase in Directors' fees

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 4 'That, for the purpose of rule 19.5 of the Constitution and ASX Listing Rule 10.17, the maximum aggregate annual fees payable out of the funds of the Company to the Company's Directors for services as Directors, including service on a committee of Directors be increased from \$750,000 (inclusive of superannuation) to \$1,000,000 per annum (inclusive of superannuation), to be apportioned at the Directors' discretion.'

Note: All Non-Executive Directors and any of their associates are restricted from voting on this Resolution.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 4.

Grant of Options to Mr Peter Hase

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

- 5 'That, for the purpose of Chapter 2E of the Corporations Act and Listing Rule 10.14, Shareholders approve the grant of 100,000 Options at an exercise price of \$2.02 and the issue of up to 100,000 Megaport Shares on exercise of Options to Mr Peter Hase (a Non-Executive Director), on the terms summarised in the Explanatory Memorandum.'

Note: All Directors and any of their associates are restricted from voting on this Resolution.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 5.

By order of the Board



Celia Pheasant
Company secretary
30 September 2016

Notes

- (a) A Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- (d) KMP (or their closely related parties) (as defined in the Corporations Act) appointed as a proxy must not vote on a resolution connected directly or indirectly with the remuneration of KMP if the proxy is undirected unless:
 - (i) the proxy is the person chairing the meeting; and
 - (ii) the proxy appointment expressly authorises the person chairing the meeting to vote undirected proxies on that resolution.
- (e) If the proxy form specifies the way the proxy is to vote on a particular resolution the proxy need not vote on a show of hands but if the proxy does so, it must vote as specified in the proxy form.
- (f) If the proxy has two or more appointments that specify different ways to vote on the resolution the proxy must not vote on a show of hands.
- (g) If the proxy is the chair of the meeting, the proxy must vote on a poll or must vote the way specified in the proxy form.
- (h) If the proxy is not the chair of the meeting the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as specified in the proxy form.
- (i) If the proxy form specifies the way the proxy is to vote on a particular resolution and the proxy is not the chair of the meeting and a poll is demanded and either:
 - (i) the proxy is not recorded as attending; or
 - (ii) the proxy does not vote,
- (j) the chair of the meeting is deemed the proxy for that resolution.
- (k) A corporation may elect to appoint a representative, rather than appoint a proxy, under the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (l) The Company has determined under regulation 7.11.37 Corporations Regulations 2001 that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Sydney time) on Monday 21 November 2016.
- (m) If you have any queries on how to cast your votes call Celia Pheasant (Company Secretary) on +61 408 841 185 during business hours.

Voting restrictions

Resolution 1 – Directors' Remuneration Report

The Company will disregard any votes cast by or on behalf of a member of the KMP or a closely related party of the KMP unless:

- (a) the person does so as a proxy appointed under the proxy voting form; and
- (b) the vote is not cast on behalf of a member of the KMP or a closely related party of the KMP.

If you are a KMP or closely related relative of a KMP (or acting on behalf of them) and purport to cast a vote that will be disregarded by the Company, you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

Resolution 3 – Ratification and approval of the allotment and issue of Placement Shares

The Company will disregard any votes cast by any person who participated in the issue of Megaport Shares referred to in Resolution 3 or any associate of any such person, unless the vote is cast as proxy for a person who is entitled to vote, in accordance with directions on the proxy form specifying how the proxy is to vote or the vote is cast by a 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 4 – Increase in Directors' Fees

The Company will disregard any votes cast by a Non-Executive Director or any of their associates.

Resolution 5 – Issue of Options to Mr Peter Hase

The Company will disregard any votes cast by a Director or any of their associates.

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

- (a) a person as proxy for a person who is entitled to vote, under the directions on the proxy voting form; or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote, under a direction on the proxy form to vote as the proxy decides.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies the Notice of Annual General Meeting of Megaport Limited (**Company**) to be held at the office of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, Queensland on Wednesday 23 November 2016 at 12.00pm (Brisbane time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the Resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Ordinary business

Financial statements and reports

- 1 The Corporations Act requires that the Directors' Report, the Auditor's Report and the Financial Report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on these reports.
- 4 In addition to asking questions at the Annual General Meeting, Shareholders may address written questions to the Chairman about the management of the Company or to the Company's auditor, Deloitte Touche Tohmatsu, if the question is relevant to:
 - (a) the content of the Auditor's Report; or
 - (b) the conduct of its audit of the Financial Report to be considered at the Annual General Meeting.
- 5 Under section 250PA(1) of the Corporations Act, written questions for Deloitte Touche Tohmatsu must be delivered by 5:00pm AEST on Wednesday 16 November 2016 to:

The Company Secretary
Level 4, 825 Ann Street
FORTITUDE VALLEY QLD 4006

or via email to: investor.centre@megaport.com
- 6 The Directors' Report, the Auditor's Report and the Financial Report are available on the Company's website www.megaport.com.

Resolution 1: Directors' remuneration report

- 7 Under the Corporations Act, the Company is required to include in the business of its Annual General Meeting a resolution that its Remuneration Report for the 2016 financial year be adopted. The resolution of Shareholders is advisory only and does not bind the Directors or the Company.
- 8 The Remuneration Report is contained in the Directors' Report section of the Company's 2016 Annual Report and sets out:
 - (a) the principles used to determine the nature and amount of remuneration of the Board and senior management;
 - (b) details of remuneration for Directors and senior management;

- (c) makes clear that the basis for remunerating Non-Executive Directors is distinct from the basis for remunerating Executives, including Executive Directors.
- 9 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' Recommendation

- 10 As the Resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, abstains from making a recommendation regarding this Resolution.

Note: As detailed on the proxy form, if you appoint the Chairman as your proxy, and you do not provide voting directions, the Chairman is entitled to cast your vote in accordance with his stated intentions, even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman intends to vote all available proxies in favour of this Resolution.

If you appoint another Director or member of the KMP as your proxy for this Resolution, you **MUST** direct your proxy how to vote, otherwise your vote will not be counted. Follow the instructions on the proxy form to direct your proxy how to vote.

Resolution 2: Re-election of Mr Peter Norman Hase

- 11 The Company's Constitution and ASX Listing Rules provide that a Director, excluding the Managing Director, appointed to fill a casual vacancy or as an addition to the Board may not hold office past the next annual general meeting of the Company, without submitting themselves for re-election.
- 12 Peter was appointed as a Non-Executive Director of the Company on 22 September 2016. Accordingly, under rule 19.2(b) of the Company's Constitution and Listing Rule 14.4, he must be submitted for re-election at this Annual General Meeting.

Biography

- 13 Peter is the Managing Director (EMEA) of Auster Capital Partners (**ACP**), a targeted Venture Capital/Private Equity firm with a specialization in small and mid-tier companies in high growth markets. Prior to joining ACP, Peter was at Telstra International and was fundamental in the strategic review of the US business (working in New York) and during his time as interim CEO he achieved 300% sales growth. Peter was then closely involved in the revision and expansion of the Telstra European business - appointed as CMO in January 2007 and then became SVP Global Business Development in 2008.
- 14 Prior to joining Telstra, Peter formed the start-up global services provider Saturn Global Network in Europe, and then ran the European and US businesses prior to the sale of it to IXNet, which then was floated on NASDAQ in August 1999.
- 15 In 2000, Peter joined Interxion (in Amsterdam) as Group MD, running the data center business, with almost 400 staff reporting to him, and was responsible for 16 European data centers. He was part of a fund raise of €180M in 2001.

Directors' Recommendation

- 16 The Directors (with Mr Hase abstaining), unanimously recommend the re-appointment of Mr Hase to the Board.

Special Business

Resolution 3: Ratification and approval of the allotment and issue of Placement Shares

- 17 As announced to the market on 29 July 2016, the Company has successfully completed a private placement to sophisticated and institutional investor of 10,500,000 Megaport Shares at \$1.70 per Megaport Share (**Placement Shares**), raising \$17.5 million (**Placement**).
- 18 Under Listing Rule 7.1, the Company is generally restricted from issuing more than 15% of its issued share capital in any 12-month period unless the issue is approved by the company's shareholders or an exemption applies (**Placement Capacity**). The issue of Placement Shares was made within this 15% Placement Capacity pursuant to Listing Rule 7.1.
- 19 Listing Rule 7.4 provides that an issue of securities by a company made pursuant to Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1, if it is subsequently approved by the company's shareholders.
- 20 The Company is seeking Shareholder approval under Listing Rule 7.4 for the issue of the Placement Shares to maintain greater flexibility to raise funds up to the 15% limit to meet future needs during the next twelve months, without the costs and delay of convening a general meeting of the Company.
- 21 If Shareholder approval is obtained for the issue of the Placement Shares, the Company will have the flexibility to issue further securities under its 15% Placement Capacity as set out in Listing Rule 7.1. The effect of approving Resolution 3 will be to refresh the Company's 15% Placement Capacity so that it would be the same as if the Placement Shares had not been issued. Notwithstanding an approval by Shareholders of Resolution 3, any future equity raisings would remain subject to the 15% limit set out in Listing Rule 7.1.
- 22 The information required to be given to Shareholders to satisfy ASX Listing Rule 7.4 is specified in ASX Listing Rule 7.5. In compliance with these requirements, Shareholders are advised of the following particulars on the allotment and issue of the Placement Shares:

Allottees	Institutional and sophisticated investors
Number of securities issued	10,500,000 Megaport Shares
Issue price	\$1.70 per Megaport Shares
Issue date	5 August 2016
Terms of the securities	The Placement Shares rank equally with, and are on the same terms as, other existing Megaport Shares
Use of the funds	The net proceeds of the Placement will be used for capital expenditure, network investment and ongoing cost of network, services and staff

Directors' Recommendation

- 23 The Directors (Mr Slattery and Mr Moore abstaining) unanimously recommend you vote in favour of this Resolution.

Resolution 4: Increase in Directors' fees

- 24 Under the Company's Constitution and ASX Listing Rules, the total amount provided to Directors for their services must not exceed in aggregate in any financial year the amount fixed by Megaport in a general meeting. This fixed amount does not include any amounts payable to Executive Directors under their executive services contracts.

- 25 For the purpose of rule 19.5 of the Company's Constitution and Listing Rule 10.17, Shareholder approval is sought to increase the maximum aggregate annual remuneration payable to Directors by \$250,000 from \$750,000 per annum to \$1,000,000 per annum.
- 26 The present maximum amount of \$750,000 per annum was approved by Shareholders in 2015 prior to the Company's admission to the official list of the ASX.
- 27 The Board considers it reasonable and appropriate to seek an increase to the maximum aggregate remuneration for Directors for the following reasons:
- (a) to reflect the increasing demands on Directors given the Company's growth in operations, in particular its global operations; and
 - (b) to reflect the more onerous corporate governance environment of a company of Megaport's size and the commensurate increase in time and responsibility of Directors.
- 28 The Company does not intend to allocate the full amount immediately. The proposed increase has been calculated to allow for growth over time in both the remuneration and the number of Directors.
- 29 Details of the Directors' remuneration to the period ended 30 June 2016 are contained in the Remuneration Report.
- 30 The current Non-Executive Directors' base fees are \$60,000 per annum each. In addition, Directors receive \$7,500 per Board committee which they chair. All resident Directors' fees include superannuation at the statutory rate.
- 6 Details of securities issued to Non-Executive Directors under Listing Rules 10.11 or 10.14 with the approval of Shareholders at any time within the preceding 3 years are set out in the table below:

Non-Executive Director	Number of Options	Exercise Price	Exercise Date	Expiry Date
Drew Kelton ¹	100,000	\$1.25	28 November 2016	24 months from the Exercise Date
Simon Moore ¹	100,000	\$1.25	28 November 2016	24 months from the Exercise Date
Peter Hase ²	100,000	\$2.02	23 November 2017	24 months from the Exercise Date

Notes

¹ Options granted under the 2015 ESOP, a summary of which is set out in the Remuneration Report.

² Subject to Shareholders approving Resolution 5.

Directors' Recommendation

- 31 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution 4.

Note: As detailed on the proxy form, if you appoint the Chairman as your proxy, and you do not provide voting directions, the Chairman is entitled to cast your vote in accordance with his stated intentions, even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman intends to vote all available proxies in favour of this Resolution.

If you appoint another Director or member of the KMP as your proxy for this Resolution, you **MUST** direct your proxy how to vote, otherwise your vote will not be counted. Follow the instructions on the proxy form to direct your proxy how to vote.

Resolution 5: Grant of Options to Mr Hase

- 32 The Board has agreed, subject to obtaining Shareholder approval, to grant 100,000 incentive options to Mr Peter Hase (**Options**), a Non-Executive Director of the Company, under the Megaport Limited Employee Share Option Plan (**ESOP**).
- 33 The key terms of the Options are as follows:
- (a) the Options will be granted for no consideration;
 - (b) each Option will convert into one Megaport Share;
 - (c) the Options are not transferable;
 - (d) the exercise price for the Options is \$2.02;
 - (e) the Options are exercisable on the first anniversary of the date on which member approval is obtained (**Exercise Date**); and
 - (f) the Options are exercisable at any time during the 24-month period commencing on the Exercise Date.
- 34 The Options are also subject to the other terms and conditions in the ESOP. A summary of the ESOP is attached to the Explanatory Memorandum.

Listing Rule 10.14

- 35 The acquisition of securities by a Director under an employee incentive scheme such as the ESOP requires Shareholder approval under Listing Rule 10.14. Accordingly, Shareholder approval is sought for the grant of Options to Mr Hase and to the extent those Options are exercised, the issue of the underlying Megaport Shares.
- 36 Once approval is obtained under Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1
- 37 In compliance with the disclosure requirements of Listing Rule 10.15, Shareholders are advised of the following additional particulars in relation to the grant of the Options:

Maximum number of securities to be issued	100,000 Options
Date the Company will issue the Options	If Shareholder approval is obtained, the Company intends to grant the Options to Mr Hase shortly after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting
Terms of issue	Any Megaport Shares issued upon exercise of the Options will be issued on the same terms as, and rank equally with, the existing Megaport Shares
Terms of any loan in relation to the acquisition	There are no loan arrangements with Mr Hase in relation to the acquisition of the Options
Who is entitled to participate in the ESOP	All Directors of Megaport are eligible to participate in the ESOP, subject to Shareholder approval. The current Directors of the Company are: • Bevan Slattery • Denver Maddux • Simon Moore

- Drew Kelton
- Peter Hase

Financial benefit

- 38 In addition to Listing Rule 10.14, section 208(1) of the Corporations Act also provides that a public company must not, without shareholder approval, give a financial benefit to a related party. Mr Hase is a related party of the Company for the purpose of section 228(2) of the Corporations Act and the issue of Options constitutes giving a financial benefit.
- 39 The giving of this financial benefit is designed to incentivise Mr Hase to maximise the Company's development and growth and to retain his services within the Company. The Company also considers that equity based incentives, such as the Options, assist in the alignment of Shareholders' and Directors' interests. On this basis, the Company believes the giving of the benefit, as constituted by the issue of Options to Mr Hase, is in the best interests of the Company and its Shareholders.
- 40 The information below is provided in accordance with sections 217 to 227 of the Corporations Act.

Valuation of the financial benefit

- 41 Consistent with the accounting standards, the Company discloses the following information concerning the value of the Options. A fair value for the Options to be granted has been calculated using the Black-Scholes valuation methodology and based on a number of assumptions, set out below. The Board believes this valuation model to be appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the Options.
- 42 The Board draws Shareholders' attention to the fact the stated valuation does not constitute, and must not be taken as, audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors.

Underlying price ¹	\$2.02
Volatility	40%
Dividend yield (estimate)	0%
Expiry date	22 November 2019
Exercise (strike) price	\$2.02
Risk free rate	1.59%
Option value	\$0.334 per Option
Number of options issued	100,000
Employee benefit expense	\$33,375

Notes

¹This price represents the 30-day VWAP, less 20% as at 22 September 2016, being the date of Mr Hase's appointment to the Board.

Mr Hase's interest in Megaport and remuneration package

- 43 If Shareholders approve this Resolution 5, the effect will be to dilute the holdings of existing Shareholders by an equivalent amount as follows:

	Current share capital		Share capital upon exercise of the Options ²	
	Shares	%	Shares	%
Mr Hase ¹	0	0%	100,000	0.11%
Other Shareholders	88,234,994	100%	88,234,994	99.89%
Total	88,234,994	100%	88,334,994	100%

Notes

¹ Includes all direct and indirect holdings.

² Assumes that no other securities are issued by the Company, other than the securities upon exercise of the Options.

- 44 Mr Hase's total remuneration package including the financial benefit associated with the Options is set out in the table below.

Base salary	\$60,000 (inclusive of pension contributions)
Options	\$33,375
Total	\$93,375

Directors' recommendation

- 45 Other than Mr Hase, no Directors have an interest in the outcome of this Resolution 5. However, in the interests of corporate governance, the Directors abstain from making a recommendation in relation to Resolution 5.

GLOSSARY

Annual General Meeting

means the Company's annual general meeting the subject of this Notice of Meeting.

ASX

means ASX Limited ACN 008 624 691 or, as the case requires, the securities exchange operated by it

Board

means the board of directors of the Company

Company or Megaport

means Megaport Limited ACN 607 301 959

Constitution

means the constitution of the Company

Corporations Act

means the Corporations Act 2001 (Cth)

Corporations Regulations

means the Corporations Regulations 2001 (Cth)

Directors

means the directors of the Company

ESOP

means the Megaport Limited Employee Share Option Plan, a summary of which is attached.

Exercise Date

has the meaning set out in paragraph 33(e)

Explanatory Memorandum

means the explanatory memorandum attached to the Notice of Meeting

Key Management Personnel or KMP

means those 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)

Listing Rules

means the listing rules of ASX

Megaport Shares

means the existing fully paid ordinary shares in the Company

Non-Executive Directors

means the non-executive director of the Company being Simon Moore, Drew Kelton and Peter Hase

Notice of Meeting

means the notice of meeting and includes the Explanatory Memorandum

Options

has the meaning set out in

paragraph 33

Placement

has the meaning set out in paragraph 18

Placement Capacity

has the meaning set out in paragraph 19

Placement Shares

means 10,500,000 Megaport Shares issued to institutional and sophisticated investors on 5 August 2016

Remuneration Report

means the section of the Directors' report for the 2015 financial year that is included under section 300A(1) of the Corporations Act

Shareholder

means a person who is the registered holder of Megaport Shares

VWAP

means volume weighted average price

2015 ESOP

means the 2015 Megaport Limited Employee Share Option Plan

SUMMARY OF ESOP

Term	Description
Eligibility criteria	The ESOP will be open to eligible participants (including full-time and part-time employees, executive, Directors and consultants) of Megaport or any one of its subsidiaries who the Board designates as being eligible.
Ownership interest	The participants cannot hold more than 5% of the ownership or voting rights in Megaport as a result of interests (vested or unvested) which have been granted under the ESOP. For the purposes calculating the 5% threshold, interests (vested or unvested) which have been granted to persons situated outside of Australia are to be disregarded.
Grant of options	All options to be offered to participants for no consideration. The offer must be in writing and specify, amongst other things, the number of options for which the participants must apply, the period within which the options may be exercised and any conditions to be satisfied before exercise, the option expiry date (as determined by the Board) and the exercise period for the options.
Exercise	The options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to Megaport.
Lapse	The options shall lapse upon the earlier of the date specified by the Board or events contained in the ESOP rules, including termination of employment or resignation, redundancy, death or disablement.
Rights of participants	Once the Megaport Shares are issued upon exercise of the options, the participant will hold the Megaport Shares free of restrictions subject to the restriction on disposal. The Megaport Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. Should Megaport undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options will be correspondingly changed to the extent necessary to comply with the ASX Listing Rules. In the event of a change of control, the Board shall have discretion to deal with the options, including allowing accelerated vesting or the issue of options in the substituted corporation. A holder of options is not entitled to participate in a new issue of Megaport Shares or other securities made by Megaport to shareholders merely because he or she holds options.
Quotation	Megaport must apply for official quotation of any Megaport Shares issued.
Assignment	The options are not transferrable or assignable without the prior written approval of the Board, having regard to the restriction on disposal.
Administration	The ESOP will be administrated by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the ASX Listing Rules) in addition to those set out in the plan.
Termination and amendment	The ESOP may be triggered or suspended at any time by the Board. The ESOP may be amended at any time by the Board except where the amendment reduces the rights of the holders of options.

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Megaport Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

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

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **12:00pm on Wednesday, 23 November 2016 at The Office of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, Queensland (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 7:00pm (Sydney time) on Monday, 21 November 2016.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1 Directors' remuneration report	☐	☐	☐	5	Grant of Options to Mr Peter Hase	☐	☐
2 Re-election of Director Mr Peter Hase	☐	☐	☐			☐	☐
3 Ratification and approval of the allotment and issue of Placement Shares	☐	☐	☐			☐	☐
4 Increase in Directors' fees	☐	☐	☐			☐	☐

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may 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).

MP1 PRX1601C

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the 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. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item 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 item 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

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 the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second 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
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach 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 also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the 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 form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

Proxies (and any Power of Attorney under which it is signed) will only be valid and accepted by the Company if they are signed and received no later than **7:00pm (Sydney time) on Monday, 21 November 2016**. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Megaport Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

or

Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

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