
FAMILY ZONE CYBER SAFETY LIMITED

ACN 167 509 177

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.00am (AEDT)

DATE: 28 November 2017

PLACE: Docklands 2 Room at Dexus Place, Level 14, 385 Bourke Street, Melbourne

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Emma Wates on (+61 8) 9322 7600.

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IMPORTANT INFORMATION

Time and place of Meeting

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00am (AEDT) on 28 November 2017 at Docklands Room 2 at Dexus Place, Level 14, 385 Bourke Street, Melbourne.

Your vote is important

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

Voting in person

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

Voting by proxy

A Proxy Form is enclosed with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and

- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 1, 10 and 11 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 1, 10 and 11.

However, the prohibition does not apply if:

- (a) the proxy is the Chairman; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 1, 10 and 11 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

BUSINESS OF THE ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 11.00am (AEDT) on 28 November 2017 at Docklands Room 2 at Dexus Place, Level 14, 385 Bourke Street, Melbourne.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on 26 November 2017.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

ORDINARY BUSINESS:

FINANCIAL STATEMENTS AND REPORTS

To table and consider the Annual Report of the Company for the financial year ended 30 June 2017, which includes the Financial Report, the Director's Report and the Auditor's Report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Statement.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion: In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the Voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the Voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PHIL WARREN

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

“That, for the purpose of clause 6.3 of the Constitution and for all other purposes, Mr Phil Warren, retires by rotation, and being eligible, is re-elected as a Director.”

RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed, and 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, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4 – RATIFICATION OF SHARE PLACEMENT - JULY 2017

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 3,333,334 Shares (**July Placement Shares**) each at an issue price of \$0.30 (**July Placement**) on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the July Placement and any of their associates. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 5 – RATIFICATION OF TESSRENT CONSIDERATION SHARE ISSUE

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 1,000,000 Shares (**Tesserent Consideration Shares**) to Tesserent in part consideration for the Acquisition on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Tesserent and any of its associates. 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, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 – RATIFICATION OF SHARE PLACEMENT – AUGUST 2017

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 13,000,000 Shares (**August Placement Shares**) each at an issue price of \$0.40 (**August Placement**) on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the August Placement and any of their associates. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 7 – RATIFICATION OF EMPLOYEE OPTION ISSUE

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 2,433,272 Employee Options issued on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue of the Employee Options the subject of this Resolution and any of their associates. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 8 – AUTHORITY TO ISSUE BROKER OPTIONS

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Directors to issue up to 850,000 Tranche 1 Broker Options (each exercisable at \$0.50 on or before the date that is three years after their issue) and 850,000 Tranche 2 Broker Options (each exercisable at \$0.60 on or before the date that is three years after their issue) to BW Equities (or their nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by BW Equities and their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity as a Shareholder, if this Resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 9 – AUTHORITY TO ISSUE SHARES PURSUANT TO THE FIDELIO AGENCY AGREEMENT

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Directors to issue up to 1,549,443 Shares to Fidelio Partners (or their nominees) pursuant to the Fidelio Agency Agreement, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Fidelio Partners and their nominees, and any person who might obtain a benefit, except a benefit solely in the capacity as a Shareholder, if this Resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 10 – ADOPTION OF PERFORMANCE RIGHTS PLAN

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

“That, for the purposes of Listing Rule 7.2 Exception 9(b), as an exception to Listing Rule 7.1, and for all other purposes, approval is given for the establishment of the Performance Rights Plan and the grant of Performance Rights (and the issue of Shares on conversion of Performance Rights), thereunder on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director (other than a Director who is ineligible to participate in the Performance Rights Plan), and any associates of those persons. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 11 – AUTHORITY TO ISSUE PERFORMANCE RIGHTS TO MR CRISPIN SWAN

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

“That, for the purposes of Listing Rule 10.14, and for all other purposes, approval is given for the Company to grant 1,000,000 Performance Rights (comprising 333,340 Class A Performance Rights, 333,330 Class B Performance Rights and 333,330 Class C Performance Rights) to Mr Crispin Swan (or his nominees) under the Performance Rights Plan on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director (other than a Director who is ineligible to participate in the Performance Rights Plan), and any associates of those persons. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form, or, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 12 – APPROVAL TO ISSUE CONSIDERATION SHARES

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

“That, subject to Resolution 13 being passed, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to:

- (a) 9,500,000 Shares; and*
- (b) should the 5-day trading VWAP of Shares prior to completion be less than \$0.70 per share, such number of additional Shares that is calculated by dividing 1,330,000 (being the value of 20% of the above Consideration Shares) by the 5-day trading VWAP.*

*(together the **Consideration Shares**) to the Vendors (or their nominees) in part consideration for the Linewize Acquisition on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Vendors (and their nominees), and any person who might obtain a benefit, except a benefit solely in the capacity as a Shareholder, if this Resolution is passed, and 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, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 13 – APPROVAL TO ISSUE CONSIDERATION PERFORMANCE SHARES

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

*“That, subject to Resolution 12 being passed, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 9,500,000 Performance Shares comprising, 1,000,000 Class D Performance Shares, 1,000,000 Class E Performance Shares, 2,000,000 Class F Performance Shares, 2,500,000 Class G Performance Shares and 3,000,000 Class H Performance Shares, (**Consideration Performance Shares**) to the Vendors (or their nominees) in part consideration for the Linewize Acquisition on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by the Vendors (and their nominees), and any person who might obtain a benefit, except a benefit solely in the capacity as a Shareholder, if this Resolution is passed, and 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, it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 24 OCTOBER 2017

BY ORDER OF THE BOARD



**TIM LEVY
MANAGING DIRECTOR**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.00am (AEDT) on, 28 November 2017 at Dexus Place, Level 14, 385 Bourke Street, Melbourne.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice of Meeting. This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting.

The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.familyzone.com/investor or on the ASX platform for "FZO" www.asx.com.au.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- a) discuss the Annual Report for the financial year ended 30 June 2017;
- b) ask questions or make comment on the management of the Company;
- c) ask questions about, or make comment on, the Remuneration Report;
- d) ask the auditor questions about:
 - i. the conduct of the audit;
 - ii. the preparation and content of the Auditor's Report;
 - iii. accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - iv. the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that this Resolution is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, under sections 250U and 250Y of the Corporations Act, Shareholders have the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2016 Annual General Meeting the remuneration report was approved by over 75% of Shareholders present and voting.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PHIL WARREN

Clause 6.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest one-third (rounded downwards to the nearest whole number), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 6.3 of the Constitution is eligible for re-election.

Accordingly, Mr Phil Warren retires by rotation and seeks re-election.

Mr Warren is a Chartered Accountant and managing director of West Perth based corporate advisory firm Grange Consulting. Mr. Warren has over 20 years of experience in finance and corporate roles in Australia and Europe. He has specialised in company valuations, mergers and acquisitions, capital raisings, debt financing, financial management, corporate governance and company secretarial services for a number of public and private companies.

Mr. Warren has established a number of ASX listed companies from initial unlisted shell seed raisings through to asset acquisitions leading to ASX listings and continues to act as corporate advisor to some of these companies. Mr. Warren is a non-executive director of Cassini Resources Limited and Rent.com.au Limited and also sits on a number of unlisted company boards in his capacity as finance director.

The Directors (other than Mr Warren) recommend that Shareholders vote in favour of this Resolution. Mr Warren does not make any recommendation in relation to his own re-election.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY

4.1 General

Listing Rule 7.1A provides that an eligible entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility.

If Shareholders approve this Resolution, the exact number of Equity Securities the Company may issue under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2(c) below).

The Company intends to continue to expand and accelerate the Company's existing business activities (including expenses associated with service delivery capabilities, business development, marketing and sales particularly in education and global partnerships) and to pursue other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions). The Company may use the 10% Placement Facility for these purposes and for general working capital.

The Directors of the Company believe this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

4.2 Description of Listing Rule 7.1A

a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares.

c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$\boxed{(A \times D) - E}$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 4.2(c) above).

e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in Shares were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

4.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without Shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

4.4 Specific information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in Shares were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.42 50% decrease in Issue Price	\$0.84 Issue Price	\$1.68 100% increase in Issue Price
Current Variable A 100,558,325 Shares	10% voting dilution	10,055,832	10,055,832	10,055,832
	Funds raised	\$4,223,449	\$8,446,898	\$16,893,797
50% increase in current Variable A 150,837,487 Shares	10% voting dilution	15,083,748	15,083,748	15,083,748
	Funds raised	\$6,335,174	\$12,670,348	\$25,340,696
100% increase in current Variable A 201,116,650 Shares	10% voting dilution	20,111,665	20,111,665	20,111,665
	Funds raised	\$8,446,899	\$16,893,798	\$33,787,597

The table has been prepared on the following assumptions:

- (i) Shareholders approve the ratification of the prior issue of Shares under Resolutions 4, 5 and 6, therefore Variable 'A' in Listing Rule 7.1A2 is 100,558,325 being the current Shares on issue.
- (ii) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

- (iii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
 - (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (viii) The issue price is \$0.84, being the closing price of the Shares on ASX on 24 October 2017.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) to raise funds for service delivery capabilities, ongoing, business development, marketing and sales initiative, working capital expenses, and development of the Company's proprietary technology; or
 - (ii) non-cash consideration in relation to the acquisition of any new or complimentary assets, technology or opportunities. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.
- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue;
 - (ii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the financial situation and solvency of the Company; and

- (v) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets, technology or investments, it is likely that the recipients under the 10% Placement Facility will be the vendors of the new assets, technology or investments.

- (f) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2016 annual general meeting held on 30 November 2016.
- (g) In the 12 months preceding the date of the Meeting, the Company issued a total of 54,512,824 Equity Securities which represent 50.7% of the total number of Equity Securities on issue at the commencement of this 12 month period (of which 14,460,697 Equity Securities were issued under the 10% Placement Capacity which represent 13.5% of the total number of Equity Securities on issue at the commencement of this 12 months period). Further details of the Equity Securities issued by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 5.
- (h) The Company's cash balance on 30 September 2016 was approximately \$4.8 million. The Company raised a total of \$9.9 million (before costs) from the issues in the 12 months preceding the Meeting. The Company has since spent \$10.9 million on business development, sales and marketing activities, supporting Family Zone's service delivery capabilities, administration costs and for general working capital purposes. The Company's cash balance as at 30 September 2017 was approximately \$3.8 million. The remaining funds will continue to be used to support investment in Family Zone's service delivery capabilities, business development activities, particularly in education and global partnerships and for general working capital.
- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

5. RESOLUTIONS 4 TO 7 – RATIFICATION OF PRIOR ISSUES

5.1 General

The Company has issued the following securities under its Listing Rule 7.1 capacity together with the additional 10% limit approved by Shareholders under Listing Rule 7.1A at the Company's 2016 Annual General Meeting, without need for shareholder approval:

- a) July Placement Shares

On 20 July 2017, the Company issued 3,333,334 Shares at \$0.30 per Share to raise \$1,000,000. The Shares were issued to two of the Company's major shareholders. All of the July Placement Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

b) Tesserent Consideration Shares

On 9 June 2017, the Company issued 1,000,000 Shares to Tesserent as part of the amended final payment for the Sonar/MyNet IP Acquisition (Refer to ASX announcement on 6 June 2017 for further details). All of the Tesserent Consideration Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

c) Employee Options

On 31 August 2017, the Company issued 2,433,272 Employee Options to staff who had joined the Company in prior 6 months as an incentive and consideration for services to the Company. These Employee Options were issued, on the same terms and vesting conditions as existing Employee Options, to ensure all employees interests are aligned to achieving the Company's operational and financial targets.

The terms and conditions of the Employee Options including the vesting conditions applying are outlined in Schedule 1.

All of the Employee Options were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

d) August Placement Shares

On 11 August 2017, the Company issued 13,000,000 Shares to sophisticated and institutional investors at \$0.40 per Share to raise \$5.2 million.

Net proceeds of the issue of the August Placement Shares will support investment in Family Zone's service delivery capability, business development activities, particularly in education and global partnerships, and further strengthen the Company's balance sheet.

4,920,407 of the August Placement Shares were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval. The other 8,079,593 August Placement Shares were issued within the Company's additional 10% limit approved by Shareholders under Listing Rule 7.1A at the Company's 2016 Annual General Meeting on 30 November 2016.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

A summary of Listing Rule 7.1A is set out in Sections 4.1 and 4.2.

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (including the additional 10% capacity under Listing Rule 7.1A), provided that the previous issue did not breach Listing Rule 7.1, the issue of those securities will be deemed to have been with shareholder approval for the purpose of Listing Rule 7.1.

Resolutions 4 to 7 seek Shareholder approval for the ratification of the issue of the July Placement Shares, the Tesserent Consideration Shares, the Employee Options and the August Placement Shares pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolutions 4 to 7 will be to restore the Company's ability to issue securities within:

- (a) the 15% placement capacity under Listing Rule 7.1 during the next 12 months; and

- (b) the additional 10% placement capacity under Listing Rule 7.1A during the 10% Placement Period,

without obtaining prior Shareholder approval.

Resolutions 4 to 7 are ordinary resolutions.

5.2 Information required by ASX Listing Rule 7.5

- a) For the purposes of Listing Rule 7.5 information regarding the issue of the July Placement Shares is provided as follows:
 - (i) 3,333,335 Shares were issued on 20 July 2017.
 - (ii) The July Placement Shares were issued at an issue price of \$0.30 per Share to raise \$1,000,000 (before costs).
 - (iii) The July Placement Shares are fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
 - (iv) The July Placement Shares were issued to two major Shareholders, neither of whom is a related party of the Company.
 - (v) The funds raised from the issue of the July Placement Shares are being used to fund the final deferred payments under the Acquisition, business development activities and general working capital purposes.
 - (vi) A voting exclusion statement is included in the Notice.
- b) For the purposes of Listing Rule 7.5 information regarding the issue of the Tesseract Consideration Shares is provided as follows:
 - (i) 1,000,000 Shares were issued by the Company on 9 June 2017 as part of the amended final payment for the Sonar/MyNet IP acquisition.
 - (ii) The Tesseract Consideration Shares were issued for nil cash consideration as they were issued as part of the consideration for the Sonar/MyNet IP acquisition. Accordingly, no funds were raised from the issue.
 - (iii) The Tesseract Consideration Shares are fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
 - (iv) The Tesseract Consideration Shares were issued to Tesseract Australia Pty Ltd, who is not a related party of the Company.
 - (v) A voting exclusion statement is included in the Notice.
- c) For the purposes of Listing Rule 7.5 information regarding the issue of the Employee Options is provided as follows:
 - (i) 2,433,272 Employee Options were issued to staff on 31 August 2017 as an incentive and consideration for services to the Company.
 - (ii) The Employee Options were issued for nil cash consideration as an incentive and consideration for services to the Company, therefore no funds were raised from the issue.

- (iii) The Employee Options are exercisable at \$0.33 each on or before 19 September 2017. Shares issued on exercise of the Employee Options will be fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company. Further terms and conditions of the Employee Options are set out in Schedule 1.
 - (iv) The Employee Options were issued to employees of the Company, none of which is a related party of the Company.
 - (v) A voting exclusion statement is included in the Notice.
- d) For the purposes of Listing Rule 7.5 information regarding the issue of the August Placement Shares is provided as follows:
- (i) 13,000,000 Shares were issued by the Company on 11 August 2017.
 - (ii) The August Placement Shares were issued at an issue price of \$0.40 per Share to raise \$5,200,000 (before costs).
 - (iii) The August Placement Shares are fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
 - (iv) The August Placement Shares were issued to sophisticated and institutional investors none of whom is a related party of the Company.
 - (v) The funds raised from the issue of the August Placement Shares are being used to support investment in Family Zone's service delivery capability, business development activities, particularly in education and global partnerships, and to further strengthen the Company's balance sheet.
 - (vi) A voting exclusion statement is included in the Notice.

6. RESOLUTION 8 – AUTHORITY TO ISSUE BROKER OPTIONS

6.1 General

As noted in the Company's announcement on 11 August 2017, the Company has agreed, subject to Shareholder approval, to issue a total of 850,000 Tranche 1 Broker Options (each exercisable at \$0.50 on or before the date that is three years after their issue) and 850,000 Tranche 2 Broker Options (each exercisable at \$0.60 on or before the date that is three years after their issue) to BW Equities (or their nominees) following the successful completion of the August Placement.

The Broker Options are being issued for nil cash consideration as part of the fees payable to BW Equities for acting as lead manager and corporate advisor to the August Placement. Accordingly, no funds will be raised from the issue of the Broker Options.

The Company also paid BW Equities a capital raising fee of 4% and a management fee of 2% on the total value of the funds raised pursuant to the August Placement.

Further terms and conditions of the Broker Options are set out in Schedule 2.

A summary of Listing Rule 7.1 is set out in Section 5.1.

The effect of Shareholders passing Resolution 8 approving the issue of the Broker Options will be to maintain the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months.

Resolution 8 is an ordinary resolution.

6.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Broker Options is provided as follows:

- (a) The maximum number of Broker Options that the Company may issue under Resolution 8 is:
 - (i) 850,000 Tranche 1 Broker Options (each exercisable at \$0.50 on or before the date that is three years after their issue) and
 - (ii) 850,000 Tranche 2 Broker Options (each exercisable at \$0.60 on or before the date that is three years after their issue).
- (b) The Broker Options may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The Broker Options will be issued for nil cash consideration as part of the fees payable to BW Equities for acting as joint lead manager and corporate advisor to the August Placement. Accordingly, no funds will be raised from the issue of the Broker Options.
- (d) The Broker Options will be issued to BW Equities (or their nominees), none of whom is a related party of the Company.
- (e) 850,000 Tranche 1 Broker Options each exercisable at \$0.50 on or before the date that is three years after their issue and 850,000 Tranche 2 Broker Options each exercisable at \$0.60 on or before the date that is three years after their issue. Shares issued on exercise of the Broker Options will be fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company. Further terms and conditions of the Broker Options are set out in Schedule 2.
- (f) It is expected that the Broker Options will be issued on one date.
- (g) A voting exclusion statement is included in the Notice.

7. RESOLUTION 9 – AUTHORITY TO ISSUE SHARES PURSUANT TO THE FIDELIO AGENCY AGREEMENT

7.1 General

The issue of share based compensation under the Fidelio Agency Agreement is subject to Shareholder approval.

Fidelio Partners introduced and facilitated the Company's partnership with Telkomsel Indonesia one of the world's largest mobile operators which was announced to the market in February 2016.

Subsequently, Fidelio Partners has assisted in facilitating the Company executing a full commercial value added services agreement with Telkomsel pursuant to which Telkomsel will re-sell Family Zone services to its customers. Refer to the Company's announcement dated 17 July 2017 for further details.

Fidelio Partners has also introduced, facilitated and assisted in negotiations which have resulted in the Company signing a commercial agreement with Malaysia's largest telco provider Maxis

Communication to resell Family Zone in both bundled and standalone offerings to its consumers throughout Malaysia. Refer to ASX announcement dated 3 October 2017 for further details.

Subject to Shareholder approval, the Company is required to issue Fidelio Partners 1,549,443 Shares as share based commission to Fidelio Partners for services provided in respect to the achievement of performance milestones under the Fidelio Agency Agreement.

Resolution 9 seeks Shareholder approval to issue these Shares to Fidelio Partners.

If Shareholders do not approve the issue of the Shares to Fidelio Partners under Resolution 9, the Company will be required to pay the share based commission to Fidelio Partners in cash, such amount being calculated by taking the number of Shares to be issued to Fidelio Partners (being 1,549,443 Shares) multiplied by the highest 30 day volume weighted price of the Company's Shares on ASX between date of the entitlement being earned and the earlier to occur of:

- (a) 2 months following Fidelio Partners earning its entitlement to Share based commission; and
- (b) 7 days following a Shareholder meeting convened to approve the issue of Share based commission to Fidelio Partners.

7.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Shares pursuant to the Fidelio Agency Agreement is provided as follows:

- (a) The maximum number of Shares that the Company may issue under Resolution 9 is 1,549,443.
- (b) The Shares may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The Shares will be issued for nil cash consideration as they will be issued in consideration services provided and the achievement of a performance milestone under the Fidelio Agency Agreement.
- (d) The Shares will be issued to Fidelio Partners (or their nominees), none of whom is a related party of the Company.
- (e) The Shares issued will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) It is expected that the Shares will be issued on one date.
- (g) A voting exclusion statement is included in the Notice.

8. RESOLUTION 10 – ADOPTION OF PERFORMANCE RIGHTS PLAN

8.1 General

Resolution 10 seeks Shareholder approval for the establishment of the Performance Rights Plan for the purposes of the Listing Rules and for all other purposes.

The aim of the Plan is to allow the Board to assist eligible persons under the Plan, who in the Board's opinion, are dedicated and will provide ongoing commitment and effort to the

Company. Eligible persons are full-time or permanent part-time employees of the Company or a related body corporate (which includes Directors, the company secretary and officers), or such other persons as the Board determines.

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that grants made to eligible persons under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the plan will:

- enable the Company to recruit, incentivise and retain key personnel and other employees needed to achieve the Company's business objectives;
- link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;
- align the financial interest of participants in the Plan with those of Shareholders; and
- provide incentives to participants in the Plan to focus on superior performance that creates Shareholder value.

The Company wishes to exempt issues of securities under the Plan from contributing towards the rolling annual limit of 15% of issued Shares prescribed by Listing Rule 7.1. This limit otherwise applies to all new issues of equity securities made without Shareholder approval. Shareholder approval of the Plan is therefore sought under Listing Rule 7.2, Exception 9, whereby the Shareholders may approve in advance the issue of securities made under the Plan as an exception to the limit under Listing Rule 7.1.

This is the first approval sought under Listing Rule 7.2 Exception 9(b) with respect to the Plan. Accordingly, no Performance Rights have previously been granted under the Plan.

Pursuant to the Listing Rules, Shareholders must re-approve the Performance Rights Plan and all unallocated Performance Rights issuable pursuant to it every three years.

The key features of the Plan are as follows:

- The Board will determine (in its sole discretion) the number of Performance Rights to be granted to eligible persons under the plan (or their nominees) and the performance milestones, vesting conditions (if any) and expiry date of such Performance Rights.
- The Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of Performance Rights, the Board will have the power to amend the Plan as it sees fit.

A detailed overview of the terms of the Plan is set out in Schedule 3. A copy of the Plan can be obtained by contacting the Company.

Resolution 10 is an ordinary resolution.

8.2 Initial grant of Performance Rights

In addition to the Performance Rights proposed to be granted to Executive Director – Sales, Mr Crispin Swan, under the Plan pursuant to Resolution 11 (see Section 9 for further details), the

Company also intends to grant up to 4,450,000 Performance Rights under the Plan to various employees as long term incentives in connection with their appointment (including the 2,000,000 Performance Rights proposed to be issued in connection with acquisition of the Linewize Companies as outlined in Section 10.1.2). It is proposed that those Performance Rights will be subject to the following Vesting Conditions:

Class of Performance Right	Vesting Condition	Milestone Date
Class A Performance Rights	On achievement of 15,000 paying subscribers of the Company generating at least \$100,000 revenue per month over 3 consecutive months	29 August 2018
Class B Performance Rights	On achievement of \$10,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2019
Class C Performance Rights	On achievement of \$20,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2020

On achievement of the applicable Vesting Condition prior to the applicable Milestone Date, each Performance Right will convert into a Share. If a Change of Control Event (as defined in Schedule 4) occurs prior to the expiry or conversion of a Performance Right, then the Performance Right will convert.

8.3 Specific Information Required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided in relation to the Plan:

- (a) The material terms of the Plan are summarised above.
- (b) This is the first approval sought under Listing Rule 7.2 Exception 9 with respect to the Plan.
- (c) No securities have been issued under the Plan.
- (d) A voting exclusion statement has been included for the purposes of Resolution 10.

9. RESOLUTION 11 – AUTHORITY TO GRANT PERFORMANCE RIGHTS TO MR CRISPIN SWAN

9.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 1,000,000 Performance Rights to Mr Crispin Swan as a long term incentive in connection with his role as Executive Director – Sales, comprising 333,340 Class A Performance Rights, 333,330 Class B Performance Rights and 333,330 Class C Performance Rights.

The above Performance Rights are to be issued by the Company under the Performance Rights Plan. A summary of the Performance Rights Plan is included in Schedule 3.

The Company has considered the remuneration structures of several peer companies to determine a suitable quantum and structure of an incentive based remuneration plan for management and executive and non-executive members of the Board. As a result of this review the Company believes that the issue of the Performance Rights is a fair and reasonable incentive based remuneration package. In considering the above remuneration package, the Company

has considered the remuneration packages and incentive plans implemented by other peer companies operating within the software and services sector.

Resolution 11 seeks Shareholder approval for the grant of the Performance Rights to Mr Swan (or his nominees).

It is proposed that the Performance Rights to be issued to Mr Swan will be subject to the following Vesting Conditions:

Class of Performance Right	Vesting Condition	Milestone Date	Number of Performance Rights vesting	Expiry Date
Class A Performance Rights	On achievement of 15,000 paying subscribers of the Company generating at least \$100,000 revenue per month over 3 consecutive months	29 August 2018	33,334 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date
Class B Performance Rights	On achievement of \$10,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2019	33,333 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date
Class C Performance Rights	On achievement of \$20,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2020	33,333 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date

Once the applicable Vesting Condition has been satisfied, the number of Performance Rights specified in the table above will vest for each Tier 1 partnering deal that goes live between the date of grant and the Expiry Date.

A Tier 1 partnering deal goes live following:

- The signing of a binding commercial partnership agreement with a Tier 1 telco provider within a country (as determined by the Board); and
- the Tier 1 telco commencing the marketing, sales and distribution of the Family Zone technology (either on stand alone or bundled basis) to its customer base.

The above Performance Rights will each convert into a Share for no consideration on exercise by the holder once vested.

If a Vesting Condition of a Performance Right is not achieved by the applicable Milestone Date, then the Performance Right will lapse. If a vested Performance Right is not exercised on or before the Expiry Date, then the Performance Right will lapse.

If a Change of Control Event (as defined in Schedule 4) occurs prior to the expiry or conversion of a Performance Right, then the Performance Right will convert.

The principle terms of the Performance Rights are summarised in Schedule 4. Further terms and conditions of the Performance Rights are set out in the summary of the Performance Rights Plan in Schedule 3.

Shareholder approval is required for the grant of the Performance Rights under the Performance Rights Plan to Mr Swan under Listing Rule 10.14 because Mr Swan is a Director of the Company.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. Accordingly, the issue of Performance Rights to the Directors will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

Resolution 11 is an ordinary resolution.

9.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Performance Rights constitutes giving a financial benefit and Mr Swan is a related party of the Company by virtue of being a Director.

After a review of publicly available information relating to the remuneration structures of several of its peer companies, the Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Performance Rights to Mr Swan because the grant of the Performance Rights is considered reasonable remuneration in the circumstances.

9.3 Specific Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolution 11:

- a) The maximum number of securities to be issued to Mr Swan (and/or his nominees) is 1,000,000 Performance Rights (comprising 333,340 Class A Performance Rights, 333,330 Class B Performance Rights and 333,330 Class C Performance Rights).
- b) The Performance Rights will be issued for nil cash consideration as they are being issued as incentive based remuneration. Accordingly, no funds will be raised from the issue of the Performance Rights. Upon conversion of the Performance Rights, Shares will be issued on a one for one basis on the same terms as the Company's existing Shares.
- c) The Performance Rights will be granted in three classes with the vesting conditions, milestone dates and expiry dates as set out in Section 9.1. The principle terms and conditions of the Performance Rights are set out in Schedule 4. Further terms and conditions of the Performance Rights are set out in the summary of the Performance Rights Plan in Schedule 3.
- d) There have not been any Performance Rights granted under the Performance Rights Plan to date.

- e) Under the Performance Rights Plan, only eligible employees (including Directors) or their nominees (subject to Board approval), are entitled to participate in the Performance Rights Plan. As a Director, Mr Swan is an eligible employee for the purposes of the Performance Rights Plan.
- f) Mr Swan is a related party of the Company by virtue of being a Director.
- g) The Company has not made any loans in relation to the issue of the Performance Rights to Mr Swan.
- h) A voting exclusion statement is included in the Notice.
- i) The Company will grant the Performance Rights no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

10. OVERVIEW OF LINEWIZE ACQUISITION

10.1 Acquisition

As announced on 23 October 2017 the Company has entered into an agreement with the Vendors to acquire 100% of the issued capital of the Linewize Companies (**Acquisition Agreement**).

Refer to Section 10.2 for further details in respect to the Linewize Companies and strategic opportunities for the Company.

10.1.1 (Consideration): The Company will pay the Vendors (or their nominees) the following consideration under the Acquisition Agreement:

- a) \$200,000 non-refundable cash deposit paid on execution of the Acquisition Agreement (already paid);
- b) 9,500,000 Shares (subject to the adjustment in the paragraph below); and
- c) 9,500,000 Performance Shares comprising 1,000,000 Class D Performance Shares, 1,000,000 Class E Performance Shares, 2,000,000 Class F Performance Shares, 2,500,000 Class G Performance Shares and 3,000,000 Class H Performance Shares.

Should the 5-day trading VWAP of Shares prior to completion be less than \$0.70 per Share, then 20% of the Consideration Shares will be subject to an adjustment. The issued Consideration Shares for this portion (being 1,900,000 Shares) will be recalculated by dividing AU\$1.33m by the 5-day trading VWAP at the time of completion.

6,840,000 Consideration Shares will be subject to voluntary escrow for 24 months from the date of issue and 760,000 Consideration Shares will be subject to voluntary escrow for 12 months from the date of issue.

10.1.2 (Associated Agreements): As part of the Acquisition the Company is also proposing to enter into Mr Scott Noakes and Mr Michael Lawson. Each of Mr Noakes and Mr Lawson will be paid a salary of \$220,000 per annum and be issued 1,000,000 Performance Rights (one third in each category) pursuant to the plan being approved under Resolution 10.

10.1.3 (Conditions Precedent): Completion of the Acquisition pursuant to the Acquisition Agreement is conditional on:

- (a) Shareholder approval of the issue of the Consideration Shares and Consideration Performance Shares. If Shareholders do not approve the issue of the Consideration Shares to the Vendors (by passing Resolution 12), then the Company will be required to pay the Vendors the upfront consideration of AU\$6,650,000 in cash at completion of the Acquisition. If Shareholders do not agree to the issue of Consideration Performance Shares to the Vendors (by passing Resolution 13), then on satisfaction of any performance milestone of the Consideration Performance Shares the Company will pay an amount calculated by taking the number of Performance Shares which would have been issued and multiplying this number by the 30-day VWAP at the time the applicable milestone is achieved;
- (b) the Company conducting due diligence on the Linewize Companies, the Linewize Companies employee trust and their assets and business operations and being satisfied with the results of such due diligence in its absolute discretion;
- (c) the Vendors obtaining any third party consents or approvals required, including from counterparties to contracts, to give effect to the Acquisition;
- (d) the execution of the Executive Employment Agreements (see Section 10.1.2 for further details);
- (e) the relevant Vendors entering into voluntary escrow agreements for the escrow contemplated in Section 10.1.1.

10.1.4 (Warranties): The Acquisition Agreement includes typical warranties and limits of liability for this type of transaction.

10.2 Linewize



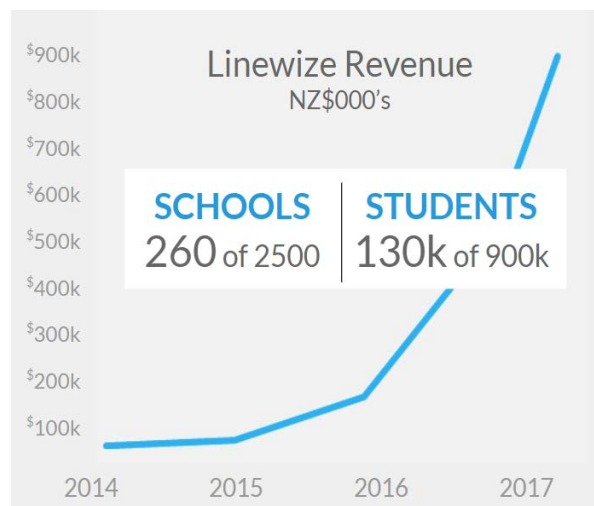
10.2.1 Linewize Background

Linewize was founded in 2013 by Scott Noakes and Michael Lawson, the New Zealand based internet innovators behind advertising platform Adscale Labs. Linewize provides an innovative cloud-managed firewall service, specifically developed for the needs of the education sector.

The Linewize platform and service covers user authentication, content filtering, network appliances, telecoms services, BYOD support, network access management and an award winning suite of classroom tools. Within a short time, Linewize has achieved significant penetration into New Zealand education, now reaching more than 11% of New Zealand's schools and 15% of New Zealand's students.

Innovative New Zealand based provider of cyber platforms for education.

- ✓ Leading educational firewall provider
- ✓ Fast growing school presence (now 260)
- ✓ Technical & product innovation
- ✓ Already serving 130,000 students
- ✓ Already promoting Family Zone
- ✓ Executive expertise & relationships



10.2.2 Background to the Acquisition

The Company's technical, sales and executive teams have been working with Linewize since July 2017 to interface their platforms and develop a partnering relationship to drive the Company's sales through Linewize's school clients.

During this time Linewize and the Company's teams assessed a compelling opportunity to bring together the companies, merge the technologies and aggressively pursue the Company's commercialisation model.

The key drivers for the Linewize Acquisition are set out below.

Position in New Zealand

Linewize is the leading provider of cyber security and safety platforms to the New Zealand school system (outside of the government's mandatory provided filter). Despite competing against a free, state provided alternative, Linewize has grown rapidly in the predominantly public education sector. Growth has been driven by Linewize's impressive features and affordability.

Adding the Company's "School Community" pricing strategy to Linewize's platform is expected to drive rapid take-up into the 2,500 New Zealand schools.

Cost Structure

Linewize's platform has been built for ease of deployment, support and for scale. Linewize supports some 260 schools today with less than 2 full-time support staff. This is an order of magnitude better than the Company or comparable providers.

Furthermore, the Linewize platform can operate on hardware costing some 10-20% of the cost of comparable alternatives (including School Zone).

Strategic technology opportunity

Linewize has developed a world class cloud based firewall and suite of tools and services to support school cyber safety and security.

Linewize's technology is synergistic with the Company's cloud-based ecosystem. The bringing together of Linewize's firewall with key features of the School Zone (Sonar/MyNet) platform is expected to propel the Company's on-premise solutions well beyond the competition.

Planning for the "merge" is well underway with technical effort expected to commence in November.

Roll-out to AU and globally in Q1/18

The merger of the Linewize and the Company's platforms offer more features for schools plus significant reductions in costs of deployment and support.

This will permit the Company to be more aggressive in marketing to schools and through schools to parents using the Company's disruptive "School Community" go-to-market strategy.

Big Data & Machine Learning

With deep expertise in big data and machine learning, the founders of Linewize have put data mining, analysis and insights at the forefront of the Linewize platform.

The Linewize platform accelerates the Company's moves into value added services in Education such as classroom, welfare and pastoral care tools.

130,000 students and growing

Since announcing the Family Zone / Linewize partnership in July the response from the New Zealand education sector has been very positive. Clearly New Zealand schools are dealing with the same cyber challenges as Australia.

Through ownership of Linewize, the Company now has significantly enhanced flexibility to sell through Linewize schools to their parent community.

Executive relationships / expertise

The Linewize founders have considerable expertise and relationships in matters critical to the Company's commercialisation: education, education-technology, machine learning and big data. Additionally, their presence, reputation and relationships in New Zealand represents a significant opportunity for the Company to drive towards domination of the market.

10.2.3 Objectives following completion of the Acquisition

There are important distinctions between the New Zealand and Australian education sectors. Of particular importance is that all public schools in New Zealand have purchasing discretion within their allocated budget. This includes making decisions around the use of technology.

Linewize has taken advantage of this purchasing authority to grow rapidly. Linewize has more than doubled revenue and penetration into schools in the past 12 months, and with its low-cost structure, is approaching profitability.

New Zealand education sector: key facts



Schools	~2,500
Primary	~1950
Secondary	~550
Private	~90
Average roll/school	310
Students	~900k
Population	~4.8m
Internet use at home	+ 80%
Average first mobile	10-12 years

The Company’s objectives for Linewize extend far beyond New Zealand. The expanded tech stack will fast track several valuable new features and will fundamentally improve Family Zone's cost structure.

Accordingly, the Company’s business plan is:

1. Aggressive expansion inside New Zealand, leveraging Linewize’s product and market positioning, and the Company’s consumer offerings and “School Community” engagement model.
2. Rapid merging of the School Zone and Linewize platforms. The Company will then roll out the merged platform through existing school deployments.
3. Rolling out Linewize’s data analytics and machine learning services across the Company’s entire suite of service offerings for parents, schools and telco carriers.
4. Leveraging the merged platform globally. The merged platform offers the Company order of magnitude improvements in deployment speed and servicing costs, accelerating potential global expansion.

11. RESOLUTION 12 – APPROVAL TO ISSUE CONSIDERATION SHARES

11.1 General

Resolution 12 seeks Shareholder approval for the issue of up to 9,500,000 Shares. Should the 5-day trading VWAP of Shares prior to completion be less than \$0.70 per Share, then 20% of the Consideration Shares will be subject to an adjustment. The issued Consideration Shares for this portion (being 1,900,000 Shares) will be recalculated by dividing AU\$1.33m by the 5-day trading VWAP at the time of completion.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Shareholders passing Resolution 12 will be to allow the Directors to issue the Consideration Shares pursuant to the Acquisition Agreement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Resolution 12 is an ordinary resolution and is subject to Resolution 13 being passed. Shareholders should note that if Resolution 12 is not passed, then the Company will be required to pay the Vendors the upfront consideration of AU\$6,650,000 in cash at completion of the Acquisition.

11.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Consideration Shares is provided as follows:

- (a) the maximum number of Shares to be issued is 9,500,000 Shares (as adjusted in accordance with the formula in the next sentence. Should the 5-day trading VWAP of Shares prior to completion be less than \$0.70 per Share, then 20% of the Consideration Shares will be subject to an adjustment. The issued Consideration Shares for this portion (being 1,900,000 Shares) will be recalculated by dividing AU\$1.33m by the 5-day trading VWAP at the time of completion. The Company confirms that the minimum price per Share at which the number of consideration shares which are subject to adjustment will be issued will not be less than 80% of the 5 day VWAP on which sales were recorded prior to the issue of the Shares (as is required by Listing Rule 7.3.3). By way of example, if the 5 trading day VWAP per Share prior to the completion of the Acquisition (being the day of issue of the Shares) was \$0.65, then 7,600,000 Shares (of the total 9,500,000 Shares being issued as consideration for the Acquisition) not effected by the adjustment would be issued and in respect of the 1,900,000 Shares which are subject to adjustment a total of 2,046,154 Shares ($1,330,000/0.65$) would be issued following adjustment resulting in a total of 9,646,154 ($7,600,000 + 2,046,154$) Shares being issued on completion of the Acquisition;
- (b) the Consideration Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Consideration Shares will be issued on the same date;
- (c) the Consideration Shares will be issued as part of the consideration for the Acquisition. Accordingly, no funds will be raised from the issue of the Consideration Shares;

- (d) the Consideration Shares will be issued to the Vendors (or their nominees) pursuant to the Acquisition Agreement, none of whom is a related party of the Company.
- (e) the Consideration Shares issued 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; and
- (f) a voting exclusion statement is included in the Notice.

12. RESOLUTION 13 – APPROVAL TO ISSUE CONSIDERATION PERFORMANCE SHARES

12.1 General

Resolution 13 seeks Shareholder approval for the issue of up to 9,500,000 Performance Shares to the Vendors (or their nominees) as part of the consideration for the Acquisition.

The Performance Shares will be issued in five tranches which will each convert into a Share upon achievement of one of the relevant milestones in each tranche as follows:

A summary of Listing Rule 7.1 is set out in Section 11.1.

The effect of Shareholders passing Resolution 13 will be to allow the Directors to issue the Consideration Performance Shares pursuant to the Acquisition Agreement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Resolution 13 is an ordinary resolution and is subject to Resolution 12 being passed. Shareholders should note that if Resolution 13 is not passed, then on satisfaction of any performance milestone of the Consideration Performance Shares the Company will pay an amount calculated by taking the number of Performance Shares which would have been issued and multiplying this number by the 30-day VWAP at the time the applicable milestone is achieved

12.2 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Consideration Performance Shares is provided as follows:

- (a) the maximum number of Performance Shares to be issued is 9,500,000 Performance Shares comprising:
 - (i) 1,000,000 Class D Performance Shares which are convertible into 1,000,000 Shares on satisfaction of Milestone D;
 - (ii) 1,000,000 Class E Performance Shares which are convertible into 1,000,000 Shares on satisfaction of Milestone E;
 - (iii) 2,000,000 Class F Performance Shares which are convertible into 2,000,000 Shares on satisfaction of Milestone F;
 - (iv) 2,500,000 Class G Performance Shares which are convertible into 2,500,000 Shares on satisfaction of Milestone G; and
 - (v) 3,000,000 Class H Performance Shares which are convertible into 3,000,000 Shares on satisfaction of Milestone H;

- (b) the Consideration Performance Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Consideration Performance Shares will be issued on the same date;
- (c) the Consideration Performance Shares will be issued as part of the consideration for the Acquisition at a deemed issue price of \$0.70. Accordingly, no funds will be raised from the issue of the Performance Shares;
- (d) the Consideration Performance Shares will be issued to the Vendors (or their nominees) pursuant to the Acquisition Agreement, none of whom is a related party of the Company;
- (e) the Consideration Performance Shares have the terms and conditions outlined in Schedule 6; and
- (f) a voting exclusion statement is included in the Notice.

13. ENQUIRIES

Shareholders are requested to contact Company Secretary, Emma Wates on (+ 61 8) 9322 7600 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

10% Placement Capacity has the meaning given in section 4.1 of this Notice.

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Acquisition means the acquisition of the Sonar/MyNet IP from Tesserent.

Acquisition Agreement means the agreement pursuant to which the Company proposes to acquire 100 of the Linewize Companies.

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

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2017.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

Auditor's Report means the auditor's report on the Financial Report.

August Placement Shares has the meaning set out in Section 5.1(d).

Board means the current board of directors of the Company.

Broker Options means the Tranche 1 Broker Options and the Tranche 2 Broker Options.

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

BW Equities means BW Equities Pty Ltd (ACN: 146 642 462)

Class A Performance Right, Class B Performance Right and **Class C Performance Right** means a Performance Right on the terms and conditions in Schedule 4.

Closely Related Party of a member of the Key Management Personnel means:

a spouse or child of the member;

a child of the member's spouse;

a dependent of the member or the member's spouse;

anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

a company the member controls; or

a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Family Zone Cyber Safety Limited (ACN 167 509 177).

Consideration Performance Shares has the meaning set out in Resolution 13.

Consideration Shares has the meaning set out in Resolution 12.

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Report means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Employee Option means an Option issued on the terms and conditions set out in Schedule 1.

Equity Securities has the same meaning as under the Listing Rules

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Fidelio Agency Agreement means the agency agreement between the Company and Fidelio Partners dated 17 May 2016 (as varied).

Fidelio Partners means Fidelio Partners Pte Ltd (2016133211E) of 101B Telok Ayers St #03-02, 068574, Singapore

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

July Placement Shares has the meaning set out in Section 5.1(a).

Key Management Personnel has the same meaning as in the accounting standards and broadly includes 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) of the Company.

Linewize Acquisition means the Company's proposed acquisition of the Linewize Companies.

Linewize Companies or **Linewize** means Linewize Limited and Linewize Services Limited.

Listing Rules means the Listing Rules of ASX.

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

Option means an option to acquire a Share.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Performance Right means a Performance Right issued under the Plan.

Performance Rights Plan or **Plan** means the Family Zone Cyber Safety Limited Performance Rights Plan, an overview of the key terms of which is set out in Schedule 3.

Performance Shares means the Performance Shares proposed to be issued on the terms and conditions outlined in Schedule 6 and each of Class D Performance Shares, Class E Performance Shares, Class F Performance Shares, Class G Performance Shares and Class H Performance Shares has a corresponding meaning.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

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

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

Shareholder means a holder of a Share.

Tesserent means Tesserent Australia Pty Ltd ACN 101 692 513.

Tesserent Consideration Shares has the meaning set out in Section 5.1(b).

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Tranche 1 Broker Options means an Option with an exercise price of \$0.50 and an expiry date that is three years after the date of grant and otherwise on the terms and conditions in Schedule 2.

Tranche 2 Broker Options means an Option with an exercise price of \$0.60 and an expiry date that is three years after the date of grant and otherwise on the terms and conditions in Schedule 2.

Vendors means the shareholders of the Linewize Companies, none of whom are related parties of the Company.

VWAP means the volume weighted average price of Shares trading on the ASX.

SCHEDULE 1 – TERMS AND CONDITIONS OF EMPLOYEE OPTIONS

The terms and conditions of the Employee Options are outlined below:

1. Entitlement

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

2. Exercise Price and Expiry Date

The Exercise Price, Vesting Conditions and Specified Expiry Date of each Option is referred to in the below table.

Tranche	Number of Options	Exercise Price	Vesting Conditions	Specified Expiry Date
1	25%	\$0.33	The Company having 20,000 paying subscribers registered by 31 December 2017	19 September 2019
2	25%	\$0.33	The Company having 30,000 paying subscribers registered by 31 December 2017	19 September 2019
3	50%	\$0.33	The Company achieving \$10,000,000 of customer revenue in any of the financial years ended 30 June 2017, 30 June 2018 or 30 June 2019.	19 September 2019

The Options will expire on that date (**Expiry Date**) which is the earlier of:

- (a) the Specified Expiry Date referred to in the above table; or
- (b) the making by the Board of a determination that the Employee has acted fraudulently, dishonestly or in breach of the Employee's obligations to the Company or any of its subsidiaries; or
- (c) as determined in accordance with item 3 below; or
- (d) as determined in accordance with item 4 below,

and thereafter no party has any claim against any other party arising under or in respect of the Options.

3. Ceasing to be an Employee

If at any time prior to the Expiry Date of any Options, an Employee ceases to be an Employee as a Good Leaver, the Employee, will be entitled to keep any Options for which the relevant Vesting Condition has been met (**Vested Options**) and the Board, in its absolute discretion, shall determine the amount of any Options for which the relevant Vesting Condition has not been met (**Unvested Options**) to vest.

If at any time prior to the Expiry Date of any Options, an Employee ceases to be an Employee as a Bad Leaver:

- (a) in respect of any Vested Options held, such Employee will have until the earlier of:
 - (i) three months from the date of ceasing to be an Employee; or

(ii) the Expiry Date of the Options,
to exercise the Options, otherwise the Options will automatically lapse; and

(b) any other Options will automatically lapse.

For the purposes of this item 3:

"Employee" means a person who is a full-time or permanent part-time employee or officer or director or company secretary of the Company or a related body corporate or such other person as the Board determines.

"Good Leaver" means an Employee who ceases to be an Employee by reason of retirement, permanent disability, redundancy or death or anyone determined by the Board as a good leaver on a case by case basis and at its absolute discretion.

"Bad Leaver" means an Employee who ceases to be an Employee by any reason other than as a Good Leaver.

4. Change in Control

Notwithstanding any other terms contained in the Plan Rules, upon the occurrence of a Change in Control Event the Board may determine (in its discretion):

- (a) that the Options may vest and be exercised at any time from the date of such determination, and in any number until the date determined by the Board acting bona fide so as to permit the holder to participate in any change of control arising from a Change in Control Event provided that the Board will forthwith advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- (b) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Change in Control Event in which case the Board shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately vest and become exercisable and if not exercised within 10 days, shall lapse.

For the purposes of this Item 4, **"Change in Control Event"** means:

- (a) the occurrence of:
 - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional (except any condition in relation to the cancellation or exercise of the Options); or
- (b) the announcement by the Company that:
 - (i) Shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or

- (B) transferred to a third party; and
- (ii) the Court, by order, approves the proposed scheme of arrangement; or
- (c) the occurrence of the sale of all or a majority of the Company's main undertaking; or
- (d) at the absolute discretion of the Board, the occurrence of a sale of at least 50% of the Company's main undertaking.

5. Exercise Period

The Options are exercisable at any time after the Vesting Condition in item 2 above has been met and on or prior to the Expiry Date.

6. Notice of Exercise

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

7. Shares issued on exercise

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

8. 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 Options.

9. Timing of issue of Shares

After an Option is validly exercised, the Company must, as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:

- (a) issue the Share;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) 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 Share.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

11. 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 Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

12. Adjustment for rights issue

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

13. Adjustments for reorganisation

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

14. Quotation of Options

No application for quotation of the Options will be made by the Company.

15. Options not transferable

Options are not transferable unless they are Vested Options and only with the prior written approval of the Board of directors of the Company and subject to compliance with the Corporations Act.

16. 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 Options with the appropriate remittance should be lodged at the Company's Registry.

SCHEDULE 2 – TERMS AND CONDITIONS OF BROKER OPTIONS

The terms and conditions of the Broker Options are outlined below.

1. Entitlement

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

2. Exercise Price and Expiry Date

Broker Options	Exercise Price	Expiry Date
Tranche 1 Broker Options	\$0.50	Three years from date of grant
Tranche 2 Broker Options	\$0.60	Three years from date of grant

3. Exercise Period

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

4. Notice of Exercise

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

5. Shares issued on exercise

Shares issued on exercise of the 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 Options.

7. Timing of issue of Shares

After an 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 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 Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give holders of the 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 Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the 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 there will be no adjustment of the Exercise Price of an Option.

11. Adjustments for reorganisation

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

12. Options not quoted

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

13. Options not transferable

The Options are not 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 Options with the appropriate remittance should be lodged at the Company's share registry.

SCHEDULE 3 – OVERVIEW OF PERFORMANCE RIGHTS PLAN

Summary of the Performance Rights Plan and terms on which offers of Performance Rights may be made:

- (a) The directors of the Company from time to time, at their discretion, may at any time invite eligible employees to participate in the grant of Performance Rights.
- (b) The eligible employees under the Plan are full time and part time employees (including a director) of the Company and its related bodies corporate or any other person who is declared by the Board to be eligible to receive a grant of Performance Rights under the Plan (**Eligible Employees**). Subject to the Board approval, an Eligible Employee may nominate a nominee to receive the Performance Rights to be granted to the Eligible Employee.

The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

- (c) The Plan is administered by the Directors of the Company, who have the power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with its terms;
 - (ii) resolve conclusively all questions of fact or interpretation in connection with the Plan;
 - (iii) delegate the exercise of any of its powers or discretions arising under the Plan to any one or more persons for such period and on such conditions as the Board may determine; and
 - (iv) suspend, amend or terminate the Plan (subject to restrictions on amendments to the Plan which reduce the rights of a participant of the Plan in respect of any Performance Rights or Shares already granted).
- (d) Performance Rights will be granted for nil cash consideration, unless the Board determines otherwise (which will be no more than a nominal amount).
- (e) No amount will be payable on the exercise of Performance Rights under the Plan.
- (f) The Plan does not set out a maximum number of Shares that may be made issuable to any one person or company.
- (g) The Company must have reasonable grounds to believe that the number of Shares to be issued on exercise of the Performance Rights when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three years under:
 - (i) an employee incentive plan of the Company covered by ASIC Class Order 14/1000; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,does not exceed 5% of the total number of issued Shares at the time the invitation to acquire Performance Rights is made (but disregarding any securities issued as the result of an offer that can be disregarded in accordance with ASIC Class Order 14/1000).
- (h) The Shares to be issued on exercise of the Performance Rights will be issued on the same terms as the fully paid, ordinary shares of the Company and will rank equally with all of the Company's then existing Shares.

- (i) The Performance Rights granted under the Plan will be subject to vesting conditions determined by the Board from time to time and expressed in a written offer made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The vesting conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant in the Plan and/or by the Company or (iii) such other performance conditions as the Board may determine and set out in the offer. The Board determines whether vesting conditions have been met.
- (j) Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specify in the offer to the Eligible Employee.
- (k) Performance Rights will be exercisable by the holder from the date the applicable vesting conditions are satisfied or waived by the Board up to and including the applicable expiry date.
- (l) The vesting conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the offer to the Eligible Employee. Performance Rights will not be listed for quotation. However, the Company will make an application to ASX for official quotation of all Shares issued on exercise of the Performance Rights within the period required by the Listing Rules.
- (m) The Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- (n) If a vesting condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Right will lapse. Unless the Board determines otherwise, an unvested Performance Right will lapse if the holder ceases to be an Eligible Employee for the purposes of the Plan by reason of resignation, termination for poor performance or termination for cause.
- (o) Unless the Board determines otherwise, if the holder of Performance Rights granted under the Plan ceases to be an employee for any other reason other than those reasons set out in paragraph (n), including but not limited to retirement, total and permanent disablement, death, redundancy or termination by agreement, then any Performance Rights which have not lapsed will continue to be held by the holder as if it was still an Eligible Employee, except that any continuous service condition will be deemed to have been waived.
- (p) If, in the opinion of the Board, a holder of Performance rights granted under the Plan acts fraudulently or dishonestly, is in breach of his or her obligations to the Company and its related bodies corporate, has done an act which has brought the Company or any of its related bodies corporate into disrepute, or if the Company becomes aware of a material misstatement or omission in the financial statements in relation to the Company or any of its related bodies corporate, or a holder is convicted of an offence in connection with the affairs of the Company or any of its related bodies corporate or has judgment entered against him or her in any civil proceedings in respect of the contravention of his or her duties at law in his capacity as an employee, consultant or officer of the Company or any of its related bodies corporate, the Board will have the discretion to deem any Performance Rights will lapse.
- (q) If in the opinion of the Board, Performance Rights vested as a result of the fraud, dishonesty or breach of obligations of either the holder or any other person and in the opinion of the Board, the Performance Rights would not have otherwise vested; or the Company is required by, or entitled under, law to reclaim an overpaid bonus or other amount from a holder, then the Board may determine (subject to applicable law) any treatment in relation to the Performance Rights or Shares issued upon exercise of Performance Rights to comply with the law or to ensure no unfair benefit is obtained by the Participant.

- (r) Where there is a transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company (**Change of Control Event**), the Board may in its discretion determine that all or a specified number of the holder's Performance Rights vest and become exercisable or cease to be subject to restrictions (as applicable), although the Board may specify in an offer to a Participant that any additional or different treatment will apply if a Change of Control Event occurs.
- (s) Unless the Board determines otherwise, if a Change of Control Event occurs, any restrictions on dealing imposed on vested Performance Rights will cease to have effect.
- (t) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (u) If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the number of Shares which must be allocated on the exercise of a Performance Right.
- (v) 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) the number of Shares which must be allocated on the exercise of a Performance Right will be increased by the number of Shares which the Participant would have received if the Performance Right had vested before the record date for the bonus issue.
- (w) If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
- (x) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to Performance Rights issued under the Plan.

SCHEDULE 4 – KEY TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The Performance Rights will be granted in three milestone based classes as follows:

Number	Class of Performance Right	Vesting Condition	Milestone Date	Number of Performance Rights vesting	Expiry Date
333,340	Class A Performance Rights	On achievement of 15,000 paying subscribers of the Company generating at least \$100,000 revenue per month over 3 consecutive months	29 August 2018	33,334 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date
333,330	Class B Performance Rights	On achievement of \$10,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2018	33,333 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date
333,330	Class C Performance Rights	On achievement of \$20,000,000 revenue by the Company over a 12 month rolling period of which 30% is subscription income	29 August 2018	33,333 for each Tier 1 partnering deal that goes live before the Expiry Date	3 years from issue date

Once the applicable Vesting Condition has been satisfied, the number of Performance Rights specified in the table above will vest for each Tier 1 partnering deal that goes live between the date of grant and the Expiry Date.

For these purposes:

(a) a **Tier 1 partnering deal goes live** following:

- The signing of a binding commercial partnership agreement with a Tier 1 telco provider within a country (as determined by the Board); and
- The Tier 1 telco commencing the marketing, sales and distribution of the Family Zone technology (either on stand alone or bundled basis) to its customer base.

The above Performance Rights will each convert into a Share for no consideration on exercise by the holder once vested.

If a Vesting Condition of a Performance Right is not achieved by the applicable Milestone Date, then the Performance Right will lapse. If a vested Performance Right is not exercised on or before the Expiry Date, then the Performance Right will lapse.

The achievement of a Vesting Condition is to be determined by the Board from time to time (by reference to the Company's audited accounts for the relevant period if applicable).

Other terms

(No Voting rights) A Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of the Company's Shareholders.

(No dividend rights) A Performance Right does not entitle a holder to any dividends.

(Rights on winding up) A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.

(Not transferable) A Performance Right is not transferable.

(Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied (as appropriate) in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

(Quotation of shares on conversion) An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules.

(Participation in entitlements and bonus issues) A Performance Right does not entitle a holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.

(Vesting on a Change of Control Event) If there is a Change of Control Event in relation to the Company prior to the conversion or expiry of the Performance Rights, then:

- (a) all outstanding Vesting Conditions will be deemed to have been satisfied; and
- (b) each Performance Right will automatically and immediately convert into a Share.

For these purposes, **Change of Control Event** means

- (a) the occurrence of:
 - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement.

(No other rights) A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

SCHEDULE 5 – EQUITY SECURITIES ISSUED SINCE 28 NOVEMBER 2016

Date of Issue (Appendix 3B)	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipient, or basis on which recipient determined	Issue price of Equity Securities and discount to Market Price ¹ (if applicable)	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration ⁵
2 Dec 2016	500,000	Performance Shares ²	Issued to key executive as performance based incentive component of remuneration package	Nil issue price Discount to Market Price N/A.	Issued for nil cash consideration as a performance based incentive component of remuneration package. Current value - \$97,500
2 Dec 2016	1,614,280	Employee Options ³	Issued to various employees under the Company's Employee Share Option Plan.	Nil issue price. Options exercisable at \$0.33 once vested being a 69.2% premium to the Market Price.	Issued for nil cash consideration as a performance based component of employees remuneration. Current value -\$157,755
16 Dec 2016	1,000,000	Shares ⁴	Issued to Tesserent as part of the consideration for the acquisition of the Sonar/MyNet IP.	Nil cash consideration, but deemed issue price of \$0.30 per Share at the time of issue, being a 53.8% premium to the Market Price.	Issued for nil cash consideration as part of the consideration for the acquisition of the Sonar/MyNet IP. Refer to ASX Announcement dated 8 November 2016 for full details of consideration paid. Current value-\$195,000
16 Dec 2016	833,333	Shares ⁴	Issued to Tracy Smyth in consideration for the acquisition of the computing application CASM.	Nil Discount to Market Price N/A	Issued in consideration for the acquisition of the computing application CASM as outlined in ASX Announcement dated 8 November 2016. Current value -\$162,500
16 Dec 2016	2,999,997	Performance Shares ²	Issued to key executives, Rob Smyth and Nick Connolly as a performance based component of their remuneration. Rob Smyth and Nick Connolly were key	Nil Discount to Market Price N/A	Issued for nil cash consideration as a performance based incentive component of remuneration package.

Date of Issue (Appendix 3B)	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipient, or basis on which recipient determined	Issue price of Equity Securities and discount to Market Price ¹ (if applicable)	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration ⁵
			executives at Tesserent who agreed to join the Company as part of the Sonar/MyNet acquisition as outlined in ASX Announcement dated 8 November 2016.		Current value - \$584,999
16 Dec 2017	6,000,000	EDU Options ⁶	Issued to key executives, Rob Smyth and Nick Connolly as a performance based component of their remuneration. Rob Smyth and Nick Connolly were key executives at Tesserent who agreed to join the Company as part of the Sonar/MyNet acquisition as outlined in ASX Announcement dated 8 November 2016.	Nil issue price. Options exercisable at \$0.30 once vested being a 53.8% premium to the Market Price.	Issued for nil cash consideration as a performance based incentive component of remuneration package. Current value –\$633,330
20 Feb 2017	634,656	Employee Options ³	Issued to various employees under the Company's Employee Share Option Plan.	Nil issue price. Options exercisable at \$0.33 once vested being a 73.7% premium to the Market Price.	Issued for nil cash consideration as a performance based component of employees remuneration. Current value – \$56,831
15 Mar 2017	12,950,000	Shares ⁴	The Company announced on 15 March 2017 that it had completed a placement of 16,450,000 Shares raising \$3.29 million (March Placement). The March Placement Shares were issued in 3 tranches. Tranche 1 March Placement Shares were issued to sophisticated, institutional and professional investors.	\$0.20 per Share 16.7% discount to the Market Price	The Company raised \$3.29 million (before costs) from the March Placement which has been spent on Family Zone's business development, marketing and sales activities and for general working capital purposes.
11 Apr 2017	2,500,000	Shares ⁴	Tranche 2 March Placement Shares were issued to Fidelio Partners.	\$0.20 per Share 31.0% discount to the Market	See above.

Date of Issue (Appendix 3B)	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipient, or basis on which recipient determined	Issue price of Equity Securities and discount to Market Price ¹ (if applicable)	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration ⁵
				Price	
4 May 2017	1,000,000	Shares ⁴	Tranche 3 March Placement Shares were issued to Directors and executives following shareholder approval at a general meeting held on 26 April 2017.	\$0.20 per Share 25.9% discount to the Market Price	See above.
4 May 2017	1,750,000	Broker Options ⁷	Issued to BW Equities nominee, TR Nominees Pty Ltd for capital raising services provided for the March Placement following shareholder approval at a general meeting held on 26 April 2017.	Nil issue price. Options exercisable at \$0.30 being an 11.1% premium to the Market Price.	Issued for nil cash consideration for capital raising services provided for the March Placement. Current value \$ 286,614
4 May 2017	225,000	Shares ⁴	Issued to Alto Capital nominees, Cameron Bolton, Shadwick Nominees Pty Ltd and ACNS Capital Markets Pty Ltd in lieu of cash payment for corporate advisory services following shareholder approval at a general meeting held on 26 April 2017.	Nil cash consideration but deemed issue price of \$0.30 per Share, being an 11.1% premium to the Market Price.	Issued for nil cash consideration, in lieu of a cash payment for corporate advisory services under the Company's mandate with Alto Capital. Current value \$60,750
4 May 2017	309,889	Shares ⁴	Issued to Fidelio Partners Pte Ltd as a share based commission following the achievement of performance milestones under the Fidelio Agency Agreement and shareholder approval at a general meeting held on 26 April 2017.	Nil Discount to Market Price N/A	Issued for nil cash consideration as a share based commission following the achievement of performance milestones under the Fidelio Agency Agreement. Current value \$83,670
9 Jun 2017	1,000,000	Shares ⁴	Issued to Tesserent as part of the revised consideration payment for the acquisition of the Sonar/MyNet IP as announced to the market on 6 June 2017.	Nil cash consideration but deemed issue price of \$0.25 per Share, being a 15.4% premium to the Market Price.	Issued for nil cash consideration as part of the revised final payment terms for the acquisition of the Sonar/MyNet IP. Current value \$260,000

Date of Issue (Appendix 3B)	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipient, or basis on which recipient determined	Issue price of Equity Securities and discount to Market Price ¹ (if applicable)	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration ⁵
20 Jul 2017	3,333,334	Shares ⁴	Issued to two existing Shareholders (who were not related parties of the Company) who assumed the obligations under the Smyth Placement Agreement.	\$0.30 per Share 49.2% discount to the Market Price.	The Company raised \$1.0 million from this share issued which has been used to fund the Company's business development, sales and marketing activities as well as ongoing service delivery capabilities.
11 August 2017 ³	13,000,000	Shares ⁴	Sophisticated, institutional and professional investors	\$0.40 per Share 13.0% discount to the Market Price.	The total funds raised of \$5.2 million (before costs) were and will be employed to support investment in Family Zone's service delivery capability, business development activities, particularly in education and global partnerships, and further strengthen the Company's balance sheet.
31 Aug 2017	2,433,272	Employee Options ³	Issued to various employees under the Company's Employee Share Option Plan.	Nil issue price. Options exercisable at \$0.33 once vested being a 45.0% discount to the Market Price	Issued for nil cash consideration as a performance based component of employees remuneration. Current value – \$979,506
31 Aug 2017	284,375	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price 58.3% discount to Market Price	The Company received \$0.07 million from the exercise of the Options which is being used for general working capital purposes.
8 Sept 2017	1,128,125	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price 56.1% discount to Market Price	The Company received \$0.28 million from the exercise of the Options which is being used for general working capital purposes.
15 Sept 2017	100,000	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price	The Company received approx. \$0.02 million from the exercise of the Options which is being used for general working capital purposes.

Date of Issue (Appendix 3B)	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipient, or basis on which recipient determined	Issue price of Equity Securities and discount to Market Price ¹ (if applicable)	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration ⁵
				63.8% discount to Market Price	
26 Sept 2017	181,250	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price 66.7% discount to Market Price	The Company received approx. \$0.05 million from the exercise of the Options which is being used for general working capital purposes.
18 Oct 2017	396,2550	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price 71.3% discount to Market Price	The Company received approx. \$0.1 million from the exercise of the Options which is being used for general working capital purposes.
23 Oct 2017	339,063	Shares	Shares issued on conversion of Options by holders exercising their Options	\$0.25 per Share being the Option exercise price 71.1% discount to Market Price	The Company received approx. \$0.08 million from the exercise of the Options which is being used for general working capital purposes.

- Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises) on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
- Performance Shares are convertible into Shares on a one for one basis on achievement of the vesting conditions by the expiry dates. The full terms and conditions of the Performance Shares are outlined in the notice of meeting (lodged with ASX on 11 November 2016) for the shareholder meeting held on 13 December 2016.
- Unlisted Options exercisable at \$0.33 with an expiry of 19 September 2019 and subject to vesting conditions. Refer to Section 5 for further details, and Schedule 1 for full terms and conditions (**Employee Options**).
- Fully paid ordinary shares in the capital of the Company, ASX Code: FZO (terms are set out in the Constitution) (**Shares**).
- The Shares have been valued based on the Market Price. The Employee Options, EDU Options and Broker Options have been valued using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield, the risk-free interest rate for the term of the Option. No account has been taken of any performance conditions included in the terms of the Options. Performance Shares have been valued based on the Market Price. No account has been taken of any performance conditions included in the terms of the Performance Shares.
- Unlisted Options exercisable at \$0.30 with an expiry of 15 December 2019 and subject to vesting conditions. The full terms and conditions of the EDU Option are outlined in the notice of meeting (lodged with ASX on 11 November 2016) for the shareholder meeting held on 13 December 2016 (**EDU Options**).
- Unlisted Options exercisable at \$0.30 with an expiry of 5 May 2020. The full terms and conditions of the Broker Option are outlined in the notice of meeting (lodged with ASX on 24 March 2017) for the shareholder meeting held on 26 April 2017 (**Broker Options**).

SCHEDULE 6 – PERFORMANCE SHARE

The terms and conditions of the Performance Shares are outlined below.

1. Definitions

For the purpose of these terms and conditions:

Accrual Basis is an accounting method which (inter alia) apportions revenues against the period in which the associated services are to be delivered and not when the invoice is raised or cash is to be paid. For the avoidance of doubt in the context of these terms and conditions, where revenue is received by the Linewize Companies from a contract for a period which is greater than one month the monthly revenue on an accrual basis for the purposes of calculating Recurring Revenue from that contract will be calculated by taking the total amount received and dividing it by the number of months for which the services are being provided for which payment is being received. By way of example and illustration - where the Linewize Companies receive one payment of NZ\$1,800 for the provision of services for a six month period the amount of monthly revenue on an accrual basis would be NZ\$300 (NZ\$1,800 divided by 6) which would result in annual Recurring Revenue from the contract of NZ\$3,600 (NZ\$300 multiplied by 12).

ASX means ASX Limited ACN 008 624 691 or, as the context permits, the securities exchange operated by that entity.

Change of Control Event means

- (a) the occurrence of:
 - (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement.

Company means Family Zone Cyber Safety Limited (ACN 167 509 177).

Corporations Act means the Corporations Act 2001 (Cth).

Expiry Date means the date that is five years from the date of issue of the Performance Shares.

FZO NZ Accounts means New Zealand Family Zone accounts with active services and an active and valid payment method.

FZO NZ Group Revenue means the recurring service revenue of all members of the Company group generated in New Zealand (excluding Recurring Revenue) which on an accrual basis gives rise to monthly revenue in the month in question, multiplied by 12 to calculate the annualised recurring revenue.

For the avoidance of doubt the same principles contained in the paragraph below in the definition of Recurring Revenue will apply to the calculation of FZO NZ Group Revenue.

Holder means a holder of a Performance Share.

Listing Rules means the Listing Rules of the ASX.

Linewize Companies means Linewize Limited and Linewize Services Limited (both companies registered in New Zealand).

LW School Deploys means the total school deployments of the core technology of the Linewize Companies (based on number of schools, not physical deployment) in any country.

Performance Shares means a Class D Performance Share, Class E Performance Share, Class F Performance Share, Class G Performance Share and/or a Class H Performance Share (as applicable).

Recurring Revenue means the recurring service revenue of the Linewize Companies from services conducted by the Linewize Companies at the date of the Share Sale Agreement or the date of completion occurring pursuant to the Share Sale Agreement and any revenue generated by the Company or its Related Companies from any of:

- (a) IP lists globally;
- (b) VPN identification services globally; or
- (c) any other services substantially based on, or derived from, the Specified IP in Schedule 5 of the Share Sale Agreement globally,

which on an Accrual Basis gives rise to monthly revenue in the month in question, multiplied by 12 to calculate the annualised recurring revenue.

Share means a fully paid ordinary share in the Company.

Share Sale Agreement means the share sale agreement between the Company and the shareholders of the Linewize Companies pursuant to which the shareholders of the Linewize Companies have agreed to sell and the Company has agreed to purchase 100% of the issued capital of the Linewize Companies.

2. Conversion and Expiry of Class D Performance Shares, Class E Performance Shares, Class F Performance Shares, Class G Performance Shares and Class H Performance Shares

- (i) **(Conversion on achievement of Milestone D)** On achievement of one of the following milestones:
 - (A) NZ\$1,250,000 of Recurring Revenue; or
 - (B) 310 LW School Deploys; or
 - (C) 5,000 FZO NZ Accounts,

(Milestone D) each Class D Performance Share will convert on a one for one basis into a Share.

(ii) **(D Expiry)** Milestone D must be achieved prior to the Expiry Date.

(iii) **(Conversion on achievement of Milestone E)** On achievement of one of the following milestones:

- (A) NZ\$1,750,000 of Recurring Revenue; or
- (B) 360 LW School Deploys; or
- (C) 10,000 FZO NZ Accounts,

(Milestone E) each Class E Performance Share will convert on a one for one basis into a Share.

(iv) **(E Expiry)** Milestone E must be achieved prior to the Expiry Date.

(v) **(Conversion on achievement of Milestone F)** On achievement of one of the following milestones:

- (A) NZ\$3,750,000 of Recurring Revenue; or
- (B) 460 LW School Deploys; or
- (C) 20,000 FZO NZ Accounts,

(Milestone F) each Class F Performance Share will convert on a one for one basis into a Share.

(vi) **(F Expiry)** Milestone F must be achieved prior to the Expiry Date.

(vii) **(Conversion on achievement of Milestone G)** On achievement of one of the following milestones:

- (A) NZ\$6,250,000 of Recurring Revenue; or
- (B) 585 LW School Deploys; or
- (C) 32,500 FZO NZ Accounts,

(Milestone G) each Class G Performance Share will convert on a one for one basis into a Share.

(viii) **(G Expiry)** Milestone G must be achieved prior to the Expiry Date .

(ix) **(Conversion on achievement of Milestone H)** On achievement of NZ\$9,250,000 of Recurring Revenue and FZO NZ Group Revenue **(Milestone H)**, each Class H Performance Share will convert on a one for one basis into a Share.

(x) **(H Expiry)** Milestone H must be achieved prior to the Expiry Date.

(xi) **(No conversion)** To the extent that:

- (A) Class D Performance Shares have not converted into Shares on or before the Expiry Date , then all such unconverted Class D Performance Shares

held by each holder will automatically consolidate into one Class D Performance Share and will then convert into one Share;

- (B) Class E Performance Shares have not converted into Shares on or before the Expiry Date , then all such unconverted Class E Performance Shares held by each holder will automatically consolidate into one Class E Performance Share and will then convert into one Share;
 - (C) Class F Performance Shares have not converted into Shares on or before the Expiry Date , then all such unconverted Class F Performance Shares held by each holder will automatically consolidate into one Class F Performance Share and will then convert into one Share;
 - (D) Class G Performance Shares have not converted into Shares on or before the Expiry Date , then all such unconverted Class G Performance Shares held by each holder will automatically consolidate into one Class G Performance Share and will then convert into one Share; and
 - (E) Class H Performance Shares have not converted into Shares on or before the Expiry Date, then all such unconverted Class H Performance Shares held by each holder will automatically consolidate into one Class H Performance Share and will then convert into one Share.
- (xii) **(Conversion procedure)** The Company will issue a Holder with a new holding statement for the Share or Shares as soon as practicable following the conversion of each Performance Share.
- (xiii) **(Ranking of shares)** Each Share into which the Performance Shares will convert will upon issue:
- (A) rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;
 - (B) be issued credited as fully paid;
 - (C) be duly authorised and issued by all necessary corporate action; and
 - (D) be issued free from all liens, charges and encumbrances whether known about or not including statutory and other pre-emption rights and any transfer restrictions.

3. Conversion on change of control

- (i) If there is a Change of Control Event in relation to the Company prior to the conversion of the Performance Shares, then Milestone D, Milestone E, Milestone F, Milestone G and Milestone H will be deemed to have been achieved by the Expiry Date and each Performance Share will automatically and immediately convert into Shares, however, if the number of Shares to be issued as a result of the conversion of all Class D Performance Shares, together with the number of Shares to be issued as a result of the conversion of all Class E Performance Shares, Class F Performance Shares, Class G Performance Shares, Class H Performance Shares and all other performance shares on issue in the Company, due to a Change of Control Event in relation to the Company is in excess of 10% of the total issued share capital of the Company at the time of the conversion, then the number of Class D Performance Shares, Class E Performance Shares, Class F Performance Shares, Class G Performance Shares and Class H Performance Shares to be converted will be prorated so that the aggregate number of Shares issued upon conversion of the Class D Performance

Shares, Class E Performance Shares, Class F Performance Shares, Class G Performance Shares, Class H Performance Shares and all other performance shares on issue in the Company is equal to 10% of the total issued share capital of the Company.

4. Takeover provisions

- (i) If the conversion of Performance Shares (or part thereof) under these terms and conditions would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Share that would cause the contravention will be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1) of the Corporations Act. Following a deferment under this paragraph, the Company will at all times be required to convert that number of Performance Shares that would not result in a contravention of section 606(1) of the Corporations Act.
- (ii) The Holders will give notification to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will assume that the conversion of Performance Shares (or part thereof) under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (iii) The Company may (but is not obliged to) by written notice request the Holders to give notification to the Company in writing within seven days if they consider that the conversion of Performance Shares (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act. If the Holders do not give notification to the Company within seven days that they consider the conversion of Performance Shares (or part thereof) under these terms and conditions may result in the contravention of section 606(1) of the Corporations Act then the Company will assume that the conversion of Performance Shares (or part thereof) under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.

5. Rights attaching to Performance Shares

- (i) **(Share capital)** Each Performance Share is a share in the capital of the Company.
- (ii) **(General meetings)** Each Performance Share confers on a Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. A Holder has the right to attend general meetings of shareholders of the Company.
- (iii) **(No voting rights)** A Performance Share does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (iv) **(No dividend rights)** A Performance Share does not entitle a Holder to any dividends.
- (v) **(No right to surplus profits or assets)** A Performance Share does not entitle a Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (vi) **(No right to a return of capital)** A Performance Share does not entitle a Holder to a return of capital, whether upon winding up of the Company, upon a reduction of capital or otherwise.
- (vii) **(Not transferable)** A Performance Share is not transferable.

- (viii) **(Reorganisation of capital)** If there is a reorganisation (including, without limitation, consolidation or sub-division, but excluding a return of capital) of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.
- (ix) **(Quotation of shares on conversion)** An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Share within the time period required by the Listing Rules.
- (x) **(Participation in entitlements and bonus issues)** A Performance Share does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (xi) **(No other rights)** A Performance Share does not give a Holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.



Family Zone Cyber Safety Limited | ACN 167 509 177

AGM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[BARCODE]

Holder Number:
[HolderNumber]

[Name/Address 1]
[Name/Address 2]
[Name/Address 3]
[Name/Address 4]
[Name/Address 5]
[Name/Address 6]

Vote by Proxy: FZO

Your proxy voting instruction must be received by **11.00am (AEDT) on Sunday, 26 November 2017**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:
<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes

VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE 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 these 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 Voting Form, including where the Resolutions are 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES






If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT	Return your completed form:	Contact us – All enquiries to Automic:
	 BY MAIL Automic Registry Services PO Box 2226 Strawberry Hills NSW 2012  IN PERSON Automic Registry Services Level 3, 50 Holt Street, Surry Hills NSW 2010	 WEBCHAT https://automic.com.au/  EMAIL hello@automic.com.au  PHONE 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)

STEP 1: Please appoint a Proxy	Complete and return this form as instructed only if you do not vote online
	I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of the Company, to be held at 11.00 am (AEDT) on Tuesday, 28 November 2017 at Dexus Place, Level 14, 385 Bourke Street, Melbourne hereby:
	Appoint the Chairman of the Meeting (Chair) 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 so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof. <div style="border: 1px solid black; height: 25px; width: 100%; margin-top: 5px;"></div>
	The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
	1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Authority to Issue Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2 Re-Election of Director – Mr Phil Warren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Authority to Issue Shares Pursuant to The Fidelio Agency Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Adoption of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4 Ratification of Share Placement - July 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Authority to Issue Performance Rights To Mr Crispin Swan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5 Ratification of Consideration Share Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval to Issue Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6 Ratification of Share Placement – August 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval to Issue Consideration Performance Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7 Ratification of Employee Option Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution 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: sign	SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>	<input style="width: 100%; height: 25px;" type="text"/>
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name..... Contact Daytime Telephone..... Date ____/____/____ Email Address _____ By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).		

[BARCODE]

[HolderNumber]