# MGM Wireless Limited

**ABN 93 091 351 530**

# Notice of 2015 Annual General Meeting

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# Explanatory Statement

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| The Annual Report is available on the MGM Wireless Limited website at: *www.mgmwireless.com* |

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**MGM WIRELESS LTD**

**ABN 93 091 351 530**
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the 2015 Annual General Meeting of the shareholders of MGM Wireless Limited (**Company**) will be held at Radisson Blu Hotel (Sir James Fairfax Room), 27 O'Connell Street, Sydney, 2000, on 13 November 2015 at 11:00 am (AEDT).

If you are unable to attend the meeting, we encourage you to complete and return the enclosed proxy form. The completed proxy form must be received by the Company at least 48 hours before the commencement of the meeting.

**AGENDA**

**ORDINARY BUSINESS**

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**FINANCIAL REPORT**

*To receive and consider the financial report and the reports of the Directors and Auditor for the year ended 30 June 2015.*

*The Annual Financial Report is available at the website of the Company (www.mgmwireless.com), under 'Investor Centre', 'Annual Reports'.*

1. **ADOPTION OF REMUNERATION REPORT**

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

"That the Remuneration Report for the financial year ended 30 June 2015 be adopted."

Voting Exclusion

In accordance with the *Corporations Act 2001,* a vote must not be cast on this resolution in any capacity (and will be taken not to have been cast if cast contrary to this restriction) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the Remuneration Report, and any closely related party of such a member. However, such a member or any closely related party of such a member may cast a vote as a proxy if the vote is not cast on behalf of a person described above and either:

- the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the resolution;
- the person is the Chair of the Meeting at which the resolution is voted on and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorizes

the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

Note: The vote on this resolution is advisory only and does not bind the Directors of the Company.

2. **RE-ELECTION OF DIRECTOR (MS TARA LEWIS-CHRISTIE)**

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

"That Ms Tara Lewis-Christie, being a Director of the Company who retires by rotation in accordance with clause 13.2 of the Company's constitution, and being eligible, is re-elected as a Director of the Company."

A summary of Ms Tara Lewis-Christie's qualifications and experience is set out in the Explanatory Statement accompanying this Notice.

**SPECIAL BUSINESS**

3. **ISSUE OF OPTIONS TO MR MARK FORTUNATOW**

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 170,000 options on the terms summarised in the accompanying Explanatory Statement, to Mr Mark Fortunatow, a related party of the Company, is approved."

<u>Voting Exclusion</u>

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by Mr Mark Fortunatow and any of his 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 a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, in accordance with the *Corporations Act*, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, and closely related party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this resolution. However, this restriction does not apply in respect of a person who is the chair of the Meeting at which the resolution is voted on and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

4. **ISSUE OF OPTIONS TO MR MARK HURD**

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 50,000 options on the terms summarised in the accompanying Explanatory Statement, to Mr Mark Hurd, a related party of the Company, is approved."

Voting Exclusion

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by Mr Mark Hurd and any of his 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 a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, in accordance with the *Corporations Act*, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, and closely related party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this resolution. However, this restriction does not apply in respect of a person who is the chair of the Meeting at which the resolution is voted on and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

5. **ISSUE OF OPTIONS TO MS TARA LEWIS-CHRISTIE**

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 10,000 options on the terms summarised in the accompanying Explanatory Statement, to Ms Tara Lewis-Christie, a related party of the Company, is approved."

Voting Exclusion

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by Ms Tara Lewis-Christie and any of her 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 a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, in accordance with the *Corporations Act*, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, and closely related party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this resolution. However, this restriction does not apply in respect of a person who is the chair of the Meeting at which the resolution is voted on and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

6. **ISSUE OF OPTIONS TO MS LEILA HENDERSON**

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 10,000 options on the terms summarised in the accompanying Explanatory Statement, to Ms Henderson, a related party of the Company, is approved."

Voting Exclusion

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on this resolution by Ms Leila Henderson and any of her 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 a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, in accordance with the *Corporations Act*, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, and closely related party of such a member, acting as proxy if their appointment does not specify the way the proxy is to vote on this resolution. However, this restriction does not apply in respect of a person who is the chair of the Meeting at which the resolution is voted on and the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

**OTHER BUSINESS**

To transact any further business that may lawfully be brought forward.

Further information regarding the business to be transacted at the Annual General Meeting is set out in the accompanying Explanatory Statement.

By order of the Board

Justin Nelson
Company Secretary
Date: 12 October 2015

## VOTING INFORMATION AND NOTES

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1. **Voting entitlement on a poll**

   On a poll, each shareholder present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

2. **Proxies**

   A shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on the shareholder's behalf. If the shareholder is entitled to cast two or more votes at the meeting, the shareholder may appoint up to two proxies to attend and vote on the shareholder's behalf.

   If a shareholder appoints two proxies, each proxy must be appointed to represent a specified proportion or number of the shareholder's votes. Absent this specification, on a poll, each proxy will need to exercise half the votes.

   A proxy can be either an individual or a body corporate and need not be a shareholder of the Company. If a shareholder appoints a body corporate as proxy, the body corporate will need to appoint an individual as its corporate representative and provide satisfactory evidence of this appointment.

   If a shareholder's instruction is to abstain from voting for a particular item of business, the shareholders' votes will not be counted in computing the required majority on a poll.

   To appoint a proxy, a proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing. If the shareholder is a corporation, the proxy form must be signed in accordance with section 127 of the Corporations Act. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:

   - by post to MGM Wireless Ltd, The Parks, Suite 13, 154 Fullarton Road, Rose Park SA 5067 or;

   - by facsimile to MGM Wireless Ltd (within Australia) 08 8431 2400 (outside Australia) +61 8 8431 2400.

   Custodian voting - For Intermediary Online subscribers only (custodians), please visit *www.intermediaryonline.com* to submit your voting intentions.

   Shareholders who forward their proxy forms by fax must make available the original executed form of the proxy for production at the meeting, if called upon to do so.

***Chairman acting as proxy***

Shareholders may appoint the Chairman of the meeting as their proxy.

Where the Chairman is appointed as a proxy by a shareholder entitled to cast a vote on a particular resolution and the proxy form specifies how the Chairman is to vote on the resolution (that is, a directed proxy), the Chairman must vote in accordance with that direction.

In respect of proxies where no voting direction has been given (undirected proxies), the Chairman intends to vote all available proxies in favour of each resolution.

In relation to resolutions 1, 3, 4, 5 and 6, if the shareholder has appointed the Chairman as their proxy and no voting direction has been given, the shareholder will be expressly authorising the Chairman to exercise the undirected proxy in respect of resolutions 1, 3, 4, 5 and 6 even though the resolution is connected with the remuneration of members of the KMP of the Company. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairman of the meeting as your proxy.

3. **Entitlement to vote at the meeting**

For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at 7 pm (AEDT) on 11 November 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

4. **Quorum**

The Constitution of the Company provides that two shareholders present in person, by proxy, attorney or body corporate representative shall be a quorum for the general meeting of the Company.

5. **Appointment of a corporate representative**

Corporate representatives are requested to bring appropriate evidence of appointments as a representative. Proof of identity will be required for corporate representatives.

6. **Appointment of an attorney**

Attorneys are requested to bring a power of attorney pursuant to which they are appointed. Proof of identity will also be required for attorneys.

## EXPLANATORY STATEMENT

This Explanatory Statement accompanies and forms part of the Notice of Annual General Meeting dated 12 October 2015 and has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of the Company. Amongst other things, this Explanatory Statement provides shareholders with the information required to be provided to shareholders by the Corporations Act and the Listing Rules of the ASX.

The Explanatory Statement sets out an explanation of each of the resolutions to be put to shareholders. Shareholders should read this Explanatory Statement carefully before determining how to vote in respect of the resolutions.

### 1. FINANCIAL REPORT

The Financial Report and the reports of the Directors and Auditor will be laid before the meeting in accordance with section 317 of the Corporations Act.

No resolution is required in respect of this agenda item. Shareholders will be given a reasonable opportunity to ask questions or make comments about the management of the Company and may also ask a representative of the Company's auditor questions relevant to the conduct of the audit and the accounting policies adopted by the Company.

### 2. RESOLUTION 1 - REMUNERATION REPORT

The Company has included in the 2015 Annual Report a detailed Remuneration Report which provides prescribed information relating to remuneration.

As required by the Corporations Act, the Remuneration Report is submitted for adoption by a non-binding vote.

The Remuneration Report is set out on pages 27 to 35 of the 2015 Annual Report and is available from the Company's website www.mgmwireless.com. The Remuneration Report sets out the Company's remuneration arrangements for its Directors, officers and senior management.

A reasonable opportunity for discussion of the Remuneration Report will be provided at the meeting.

*The Directors recommend shareholders vote in favour of the non-binding ordinary resolution.*

## 3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR (MS TARA LEWIS-CHRISTIE)

Under the Company's constitution, one third of the Directors (excluding the Managing Director) must retire at the Annual General Meeting. The Director will be eligible for re-election.

Ms Tara Lewis-Christie retires under clause 13.2 of the Company's constitution and, being eligible, has offered herself for re-election as a Director.

A summary of the qualifications and experience of Ms Lewis-Christie follows:

**Tara Lewis-Christie**

Ms Lewis-Christie is an Executive Director and Chief Operating Officer of the Company.

With formal qualifications in Financial Management, she commenced her career with the Company in 2010 as Assistant to the CFO, progressing to Company Accountant. She has also held a variety of other key senior management positions at the Company including Client Management, Inside Sales and Product Development.

Prior to MGM Wireless, Ms Lewis-Christie held management positions in the tourism, hospitality and food sectors. Early in her career, she founded and operated a successful bookkeeping business in Broken Hill for local companies, resulting in her winning the prestigious town award for Business Person of the Year, 2009 – People's Choice Award.

Ms Lewis-Christie has been a Director since 26 February 2014. She has held no other directorships.

*The Directors (with Ms Tara Lewis-Christie abstaining) recommend shareholders vote in favour of the resolution.*

## 4. RESOLUTIONS 3, 4, 5 AND 6 - ISSUE OF OPTIONS TO DIRECTORS

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue equity securities to a director without the approval of holders of ordinary securities.

Resolutions 3, 4, 5 and 6 propose approval in accordance with Listing Rule 10.11 for the issue of options to the Chairman and Managing Director, Mark Fortunatow and to Directors Tara Lewis-Christie and Leila Henderson.

ASX Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the company during the previous 12 months, exceed 15% of the number of the shares on issue at the commencement of that 12 month period.

Listing Rule 7.1A permits eligible companies that have obtained shareholder approval by special resolution at an annual general meeting to issue an additional 10% of the company's issued ordinary securities. The ability to issue securities under Listing

Rule 7.1A is in addition to the company's ability to issue securities under Listing Rule 7.1.

If approval is given under ASX Listing Rule 10.11, approval is not required under Listing Rules 7.1 and 7.1A.

Information required under Listing Rule 10.13.

1. Details of the number of options to be issued to each of the directors is set out in the following table:

| NAME OF DIRECTOR | NUMBER OF OPTIONS | EXERCISE PRICE | EXPIRY DATE |
|---|---|---|---|
| Mr Fortunatow | 170,000 | $1.40 | 30 April, 2020 |
| Mr Hurd | 50,000 | $1.40 | 30 April, 2020 |
| Ms Lewis-Christie | 10,000 | $1.40 | 30 April, 2020 |
| Ms Henderson | 10,000 | $1.40 | 30 April, 2020 |

2. The options will be issued and allotted within one month of the meeting to which the Explanatory Statement relates.

3. The options will be issued for no consideration and otherwise on the terms set out in Annexure A to this Explanatory Statement.

4. There will be no funds raised from the issue.

*The Directors make no recommendation regarding their own issue of shares and options, however the Directors otherwise recommend that shareholders vote in favour of resolutions 3, 4, 5 and 6.*

# ANNEXURE A

1. Each Option entitles the holder to subscribe for one fully paid ordinary Share.

2. Each Option is exercisable at any time from the date it is granted until 30 April, 2020 ("Expiry Date") (inclusive of both dates).

3. Some or all of the Options may be exercised at any one time before the Expiry Date, provided that at least 500 options are exercised at any one time.

4. The Exercise Price of each Option is $1.40.

5. Shares issued pursuant to the exercise of any Option will rank in all respects on equal terms with the existing fully paid ordinary shares in the Company.

6. The number of Shares each Option entitles the holder to will only be adjusted according to paragraph 8 of these terms.

7. An Option will not entitle the holder to participate in any new issue of Shares, unless the Option has been exercised prior to the relevant record date.

8. If there is a pro rata issue, bonus issue, reconstruction or reorganisation (including consolidation, sub-division, reduction or return) of our capital, the rights of the Option holder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of the restructure or reorganisation. Any changes to the terms of the Options will not result in any benefit being conferred on Option holders which is not conferred on our shareholders.

9. The Company will apply to ASX for permission for quotation to be granted in respect of Shares issued upon exercise of any of the Options, in the manner required by the Listing Rules.

10. The Options will be fully transferable in accordance with the Company's constitution and, for such time as the Company is listed on ASX, with the Listing Rules.

11. Shares issued pursuant to the exercise of an Option will be issued on a date which will not be more than 10 days after the receipt of a properly executed notice of exercise of Option and the Exercise Price in respect of the exercise of the Option.