



17 October 2019

Dear Shareholder,

On behalf of the Directors of Jaxsta Ltd ACN 106 513 580 (**Jaxsta**), I am pleased to invite you to attend Jaxsta's 2019 Annual General Meeting. Enclosed is the Notice of Meeting setting out the business of the AGM (which includes the Explanatory Memorandum and Attachments).

Jaxsta's Annual General Meeting will be held on Monday, 25 November 2019 at 10:00am (Sydney time) in the offices of Maddocks at Angel Place, Level 27, 123 Pitt Street, Sydney NSW 2000.

If you are attending the AGM, please bring your Proxy Form with you to facilitate a faster registration. If you are unable to attend the AGM, you must complete and return the enclosed Proxy Form by no later than 10.00am (Sydney time) on Saturday, 23 November 2019 in one of the ways specified in the Notice of Meeting and Proxy Form.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum and Attachments) and the Proxy Form and consider directing your proxy on how to vote on each Resolution by marking either the "for" box, the "against" box or the "abstain" box on the Proxy Form.

Subject to the Directors' abstentions, the Directors of Jaxsta otherwise unanimously recommend that shareholders vote in favour of all resolutions.

Following the conclusion of the AGM, you are welcome to join the Board and Management of Jaxsta for light refreshments.

Thank you for your support of Jaxsta and I look forward to your attendance and the opportunity to meet with you.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Brett Cottle".

Brett Cottle
Chairman

Notice of 2019 Annual General Meeting

Notice is given that the 2019 Annual General Meeting (**AGM** or **Meeting**) of the shareholders of Jaxsta Ltd (**Jaxsta** or the **Company**) will be held:

Date: Monday, 25 November 2019

Time: 10:00am (Sydney time)

Venue: The offices of Maddocks at Angel Place, Level 27, 123 Pitt Street, Sydney NSW 2000

The Explanatory Memorandum accompanying this Notice of Meeting (**Explanatory Memorandum**) provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section, Proxy Form and Attachments are part of this Notice of Meeting and should be read in their entirety. If shareholders of the Company (**Shareholders**) are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact Shelley Burger (**Company Secretary**) by email at co.secretary@jaxsta.com.

Consideration of reports

The first item of business is to receive and consider the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the financial year ended 30 June 2019.

All Shareholders can view the Company's Annual Report which contains the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the year ended 30 June 2019 on the Company's website at www.jaxsta.com.

Questions and comments

Following consideration of the Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about, or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- 1) the conduct of the audit;
- 2) the preparation and content of the Independent Auditor's Report;
- 3) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- 4) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by Shareholders will be made

available at the start of the AGM and any written answers tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

Items for approval

Resolution 1: Re-election of Director – Jorge Nigaglioni

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

“That Jorge Nigaglioni, who retires by rotation in accordance with clause 14.2 of the Company’s Constitution and being eligible for election, is re-elected as a Director of the Company.”

Resolution 2: Remuneration Report

To consider and if thought fit, pass the following as a non-binding resolution of the Company:

“That the Company’s Remuneration Report for the financial year ended 30 June 2019, as set out in the Directors’ Report, is adopted.”

The Remuneration Report is contained in the 2019 Annual Report (available at www.jaxsta.com).

Please note that, in accordance with section 250R(3) of the Corporations Act 2001 (Cth)

(Corporations Act), the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement – Resolution 2

The Company will disregard any votes cast in favour of Resolution 2:

- 1) by, or on behalf of, a member of the Key Management Personnel (**KMP**) named in the 2019 Remuneration Report or a closely related party of such a KMP (any spouse, dependent or company they control), regardless of the capacity in which the vote is cast;
- 2) as a proxy by a member of the KMP at the date of the Meeting, or that KMP’s closely related party,

unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:

- 3) in accordance with their directions on how to vote on the Proxy Form; or
- 4) by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.

Resolution 3: Ratification of prior issue of securities - Music and Entertainment Rights Licensing Independent Network B.V. (Merlin)

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 1,125,955 Warrants to the person, and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Merlin or any associates of Merlin. However, the Company need not disregard a vote cast on Resolution 3 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of 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 prior issue of securities - Australasian Performing Right Association Limited (APRA)

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 469,148 Warrants to the person, and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 4

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of APRA or any associates of APRA. However, the Company need not disregard a vote cast on Resolution 4 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of 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 prior issue of securities (Placement)

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue on 15 May 2019 of a total of 13,220,000 fully paid ordinary shares in Jaxsta Ltd at an issue price of 25 cents per share, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 5

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote cast on Resolution 5 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of 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 prior issue of securities – Adam Ritholz

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of 300,000 Warrants to the person, and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 6

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Mr Ritholz or any associates of Mr Ritholz. However, the Company need not disregard a vote cast on Resolution 6 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of 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: Approval of additional share issue capacity under ASX Listing Rule 7.1A

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

“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the Shareholders of the Company approve the issue of equity securities in the Company up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 7

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- 1) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely by reason of being a holder of ordinary securities in the Company; or
- 2) an associate of those persons.

As at the date of this Notice of Meeting, the Company has no specific plans to issue securities under the 10% placement facility under ASX Listing Rule 7.1A and therefore it is not known who (if any) may participate in a potential issue of securities under the placement facility (if any) under ASX Listing Rule 7.1A. On that basis, the Company is not aware of any person who would be excluded from voting on this resolution. However, the Company need not disregard a vote cast on Resolution 7 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or

- 2) it is cast by the Chair of 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: Amendment to terms of the Share Sale and Purchase Agreement relating to the disposal of Marine Rescue Technologies Limited (MRT)

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

"That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the Company to amend the terms of the Share Sale and Purchase Agreement between the Company and Secure2Go Group Limited ACN 612 127 867 dated on or about 18 May 2018 (as amended from time to time) in relation to the sale of all of the securities in Marine Rescue Technologies Limited as set out in the Explanatory Memorandum of this Notice."

Voting Exclusion Statement – Resolution 8

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 8 by or on behalf of a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed or any associates of those persons.

However, the Company need not disregard a vote cast on Resolution 8 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- 2) it is cast by the Chair of 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.

Other business

To transact any other business that may be lawfully brought forward in accordance with the constitution of the Company (**Constitution**), the Corporations Act and the ASX Listing Rules.

BY ORDER OF THE BOARD



Shelley Burger
Company Secretary
17 October 2019

Entitlement to attend and vote

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Sydney time) on Saturday, 23 November 2019 being the time that is not more than 48 hours before the date of the Meeting will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 10:00am (Sydney time) on Saturday, 23 November 2019 (being 48 hours before the AGM). Proxies must be received before that time by one of the following methods:

By post:	Jaxsta Ltd C/- Security Transfer Australia Pty Ltd PO Box 52 Collins Street West VIC 8007 Australia
By facsimile:	08 9315 2233 (within Australia) +61 8 9315 2233 (from outside Australia)
By delivery in person:	Security Transfer Australia Pty Ltd Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000 Australia
Online:	www.securitytransfer.com.au
Email:	registrar@securitytransfer.com.au

To be valid, a Proxy Form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Power of Attorney

A Proxy Form and the original power of attorney (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 10:00am (Sydney time) on Saturday, 23 November 2019, being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.securitytransfer.com.au.

IMPORTANT: If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 2 and 6, then by submitting the Proxy Form you will be expressly authorising the Chair to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

Voting at the Meeting

Pursuant to Clause 13.14 of the Company's Constitution, voting on each of the proposed resolutions at this Meeting will be conducted by a show of hands, or poll, at the discretion of the Chair.

Shareholder Questions

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please email info@jaxsta.com.

To allow time to collate questions and prepare answers, please submit any questions by 10:00am (Sydney time) on Monday, 18 November 2019. Questions will be collated and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

Enclosures

Enclosed is the Proxy Form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Jaxsta's share registry's website at www.securitytransfer.com.au to ensure the timely and cost effective receipt of your proxy instructions.



Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's AGM to be held on Monday, 25 November 2019 at 10:00am (Sydney time) at the offices of Maddocks at Angel Place, Level 27, 123 Pitt Street, Sydney NSW 2000.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the Directors' abstention from making a recommendation in respect of Resolutions 2 and 6 and Mr Nigaglioni abstaining from making a recommendation on his own re-election, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Resolutions 1, 3, 4, 5, 6 and 8 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 2, relating to the Remuneration Report, is advisory only and does not bind the Directors or the Company. Resolution 7 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

The Board of Directors of the Company (**Board**) recommends that Shareholders read this Explanatory Memorandum and its Attachments, before determining whether to support the Resolutions in the Notice of Meeting or otherwise. If you have any questions regarding the matters set out in this Explanatory Memorandum, the Attachments or the Notice of Meeting, please contact the Company Secretary, your stockbroker, your accountant, your solicitor or other professional adviser.

RESOLUTION 1: Re-election of director – Jorge Nigaglioni

ASX Listing Rule 14.4 provides that a director appointed prior to the entity's admission to the official list must not hold office (without re-election) past the third annual general meeting following the entity's admission to the official list or 3 years following the entity's admission to the official list, whichever is the longer.

Clause 14.2 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 upwards in the case of doubt), 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 for re-election.

Jorge Nigaglioni was appointed as a Director of the Company on 6 March 2013. As Jorge held the role of Chief Financial Officer of the Company until 28 December 2018, he is not considered to be an

independent Director. In accordance with clause 14.2 of the Constitution, Jorge retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company.

Jorge has over 24 years of experience in accounting and finance roles in both public and private companies. Jorge has worked with start-up companies and has been the CFO for two publicly listed companies in the United States and Australia. As a Controller at Agilent Technologies, he was involved in turning around two divisions to profitability. In his last two years at PricewaterhouseCoopers he was involved in auditing and consulting for start-up companies, where he focused his expertise to launch early ventures to success. Jorge has a Master of Business Administration from the University of Wisconsin-Madison and a Bachelor of Science degree in Business Administration from Bryant University. Jorge is a graduate and member of the Australian Institute of Company Directors and also holds a Certificate in Governance Practice and Administration from the Governance Institute of Australia.

Board recommendation

The Directors, with Jorge Nigaglioni abstaining, unanimously recommend Shareholders vote in favour of Resolution 1.

Resolution 2: Adoption of Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2019 (**FY19**) is set out in Jaxsta's 2019 Annual Report which is available on the Company's website at www.jaxsta.com.

The Remuneration Report outlines the Company's executive remuneration framework and the FY19 remuneration outcomes for the Board, CEO and KMP.

Section 250R(2) of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and other KMPs be put to the vote of Shareholders for adoption by way of a non-binding vote. The vote on this resolution is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

Following consideration of the Remuneration Report, the Chair of the Meeting will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

Resolutions 3, 4, 5 and 6: Ratification of prior issues of securities

ASX Listing Rule information

The Company seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of equity securities made by the Company during the last 12 months under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue equity securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at

the commencement of that 12 month period without shareholder approval (**15% Placement Capacity**).

ASX Listing Rule 7.4 permits the ratification of previous issues of equity securities which were not made under an exception prescribed in ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the Company's 15% Placement Capacity. If shareholders of a company ratify such previous issues of equity securities at a general meeting, those equity securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

The Company has issued 1,895,103 warrants and 13,220,000 fully paid ordinary shares using its 15% Placement Capacity during the prior 12 months (**Securities**). Accordingly, if Shareholders ratify the previous issues of securities by way of approving Resolutions 3, 4, 5 and 6, those securities:

- 1) will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1; and
- 2) will no longer be deducted from the Company's 15% Placement Capacity.

The Shareholder approval will in effect, refresh the Company's 15% Placement Capacity.

Resolution 3 - Technical information required by ASX Listing Rule 7.5

Resolution 3 seeks Shareholder ratification of the issue of 1,125,955 warrants on 18 June 2019 to Music and Entertainment Rights Licensing Independent Network B.V. (**Merlin**).

In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to Shareholders:

- 1) 1,125,955 warrants were issued to Merlin pursuant to a Warrant Agreement (the **Merlin Warrants**);
- 2) the Merlin Warrants were issued to Merlin for nil cash consideration;
- 3) each Merlin Warrant has an exercise price of \$0.01 and grants Merlin the ability to subscribe for one ordinary share in the Company. The Merlin Warrants are exercisable in multiple tranches for a period of 7 years subject to certain vesting conditions, with the first tranche of Merlin Warrants vesting on the last day of the month preceding the first year anniversary of the issue of the Merlin Warrants. Upon exercise of the Merlin Warrants, Merlin will be issued fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing ordinary shares;
- 4) the Merlin Warrants were issued to Merlin in connection with a Commercial Data Access Agreement entered into by Jaxsta with Merlin under which Jaxsta was granted a licence and authorisation to use Merlin's data worldwide;
- 5) no funds were raised from the issue of the Merlin Warrants as they were issued for nil cash consideration with a \$0.01 per Warrant exercise price and granted Jaxsta the ability to gain access to relevant music data from Merlin for ingestion to the Jaxsta Platform; and
- 6) a Voting Exclusion Statement accompanies Resolution 3 in the Notice of Meeting.

A summary of the key terms and conditions of the Merlin Warrants is set out in **Attachment A** to this Notice of Meeting.

Resolution 4 - Technical information required by ASX Listing Rule 7.5

Resolution 4 seeks Shareholder ratification of the issue of 469,148 Warrants on 30 July 2019 to Australasian Performing Right Association Ltd (**APRA**).

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- 1) 469,148 warrants were issued to APRA pursuant to a Warrant Agreement (the **APRA Warrants**);
- 2) the APRA Warrants were issued to APRA for nil cash consideration;
- 3) each APRA Warrant has an exercise price of \$0.01 and grants APRA the ability to subscribe for one ordinary share in the Company. The APRA Warrants are exercisable in multiple tranches for a period of 7 years subject to certain vesting conditions, with the first tranche of APRA Warrants vesting on the last day of the month on the first year anniversary of the issue of the APRA Warrants. Upon exercise of the APRA Warrants, APRA will be issued fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares;
- 4) the APRA Warrants were issued to APRA in connection with a Commercial Data Access Agreement entered into by Jaxsta with APRA under which Jaxsta was granted a licence and authorisation to use APRA's data worldwide;
- 5) no funds were raised from the issue of the APRA Warrants as they were issued for nil cash consideration with a \$0.01 per Warrant exercise price and granted Jaxsta the ability to gain access to relevant music data from APRA for ingestion to the Jaxsta Platform; and
- 6) a Voting Exclusion Statement accompanies Resolution 4 in the Notice of Meeting.

A summary of the key terms and conditions of the APRA Warrants is set out in **Attachment B** to this Notice of Meeting.

Resolution 5 - Technical information required by ASX Listing Rule 7.5

Resolution 5 seeks Shareholder ratification of the issue of 13,220,000 fully paid ordinary shares on 15 May 2019 following the successful completion of a placement to sophisticated and professional investors (**Placement**). Bell Potter Securities acted as Lead Manager to the Placement.

The Placement was priced at \$0.25 per share and raised \$3,305,000 gross proceeds.

For the purposes of ASX Listing Rule 7.5, the following information is provided;

- 1) the number of shares issued under the Placement was 13,220,000;
- 2) the shares issued under the Placement were issued at a price of A\$0.25 per share;
- 3) the shares issued under the Placement were fully paid ordinary shares which rank equally with other existing shares from the date of issue;

- 4) Shares under the Placement have been issued to a range of sophisticated and professional investors identified by Bell Potter Securities in consultation with the Board who qualified under the requirements of section 708 of the Corporations Act; and
- 5) the net funds raised from the Placement were and will continue to be used by the Company to accelerate the launch of the Jaxsta Pro subscription service and Jaxsta API that are part of the long-term business plan. Funds will continue to be used primarily for:
 - a) sales, marketing and promotional activities supporting the launch of Jaxsta;
 - b) continued systems and platform development of Jaxsta Pro;
 - c) new API platform development; and
 - d) working capital.

A Voting Exclusion Statement accompanies Resolution 5 in the Notice of Meeting.

Resolution 6 - Technical information required by ASX Listing Rule 7.5

Resolution 6 seeks Shareholder ratification of the issue of 300,000 Warrants on 30 September 2019 to Adam Ritholz.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- 1) 300,000 warrants were issued to Mr Ritholz pursuant to a Warrant Agreement (the **AR Warrants**);
- 2) the AR Warrants were issued to Mr Ritholz for nil cash consideration;
- 3) each AR Warrant is exercisable at an amount equal to the 20 day VWAP of the Company's shares per Warrant and grants Mr Ritholz the ability to subscribe for one ordinary share in the Company. The AR Warrants are exercisable in two tranches for a period of 7 years with the first tranche of AR Warrants vesting on the date of the grant and the second tranche vesting on the first anniversary of the date of the grant. Upon exercise of the AR Warrants, Mr Ritholz will be issued fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing ordinary shares;
- 4) the AR Warrants were issued to Mr Ritholz in recognition of prior legal services provided by Mr Ritholz to the Company and its related bodies corporate;
- 5) no funds were raised from the issue of the AR Warrants as they were issued for nil cash consideration with an exercise price of equal to the 20 day VWAP of the Company's shares per Warrant and enabled the Company and its related bodies corporate to receive affordable legal advice in connection with the group's operations for the past two years; and
- 6) a Voting Exclusion Statement accompanies Resolution 6 in the Notice of Meeting.

A summary of the key terms and conditions of the AR Warrants is set out in **Attachment C** to this Notice of Meeting.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 3, 4, 5 and 6.

Resolution 7: Approval of additional share issue capacity under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables eligible entities to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12 month period after the annual general meeting (**10% Placement Facility**). This 10% Placement Facility is in addition to the existing 15% Placement Capacity permitted by ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that:

- 1) has a market capitalisation of A\$300 million or less; and
- 2) is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the AGM.

Accordingly, Resolution 7 is seeking approval of Shareholders by special resolution for the issue of up to the number of equity securities calculated in accordance with the formula in ASX Listing Rule 7.1A.2, at an issue price permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms described in this Explanatory Memorandum.

At the date of this Notice, the Company has on issue 231,771,901 fully paid ordinary shares and a capacity to issue:

- 1) 32,716,035 equity securities under ASX Listing Rule 7.1, provided that Resolutions 3, 4, 5 and 6 are approved. If Resolutions 3, 4, 5 and 6 are not approved, the Company will have capacity to issue 17,600,932 equity securities under ASX Listing Rule 7.1; and
- 2) nil equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The effect of Resolution 7 will be to allow the Company to issue equity securities under ASX Listing Rule 7.1A during a 10% placement period, without using the Company's 15% Placement Capacity under ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided.

- 1) The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average price for the Company's ordinary shares calculated over the 15 trading days immediately before:
 - a) the date on which the price at which the equity securities are to be issued is agreed; or

- b) if the equity securities are not issued within 5 trading days of the date in paragraph a) above, the date on which the equity securities are issued.
- 2) If Resolution 7 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including the risk that:
- a) the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and
- b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date,
- which may have an effect on the amount of funds raised by the issue of the equity securities.
- 3) The table below page gives examples of the potential dilution of existing Shareholders calculated as at the date of this Notice using the current market price of shares and the current number of ordinary securities for variable “A” in the formula in ASX Listing Rule 7.1A.2.

The table also shows:

- a) 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 ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table: Examples of potential dilution existing Shareholders

No. of Shares on Issue ¹	Issue price (per Share)	Potential dilution		
		\$0.11 50% decrease in Issue Price	\$0.22 Issue Price	\$0.44 100% increase in Issue Price
231,771,901 (Current)	Shares issued	231,771,901	231,771,901	231,771,901
	Funds raised	\$2,549,491	\$5,098,982	\$10,197,964
346,990,352 (50% increase)	Shares issued	34,765,785	34,765,785	34,765,785
	Funds raised	\$3,824,236	\$7,648,473	\$15,296,945
462,653,802 (100% increase)	Shares issued	46,354,380	46,354,380	46,354,380
	Funds raised	\$5,098,982	\$10,197,964	\$20,395,927

- 4) The table has been prepared on the following assumptions:
- a) the Company issues the maximum number of equity securities available under the 10% Placement Facility in ASX Listing Rule 7.1A;

¹ Variable “A” in Listing Rule 7.1A.2

- b) no unlisted Options over ordinary shares are exercised into shares before the date of issue of ordinary shares under ASX Listing Rule 7.1A;
 - c) 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%;
 - d) 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 AGM;
 - e) the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% Placement Capacity under ASX Listing Rule 7.1;
 - f) the issue of equity securities under the 10% Placement Facility consists only of shares; and
 - g) the issue price is \$0.22 per share², being the closing price of the shares on ASX on 2 October 2019.
- 5) If any of the shares being approved by this Resolution 7 are issued, they will be issued during the placement period, that is, within 12 months of the date of the AGM (i.e. by 25 November 2020) and the approval being sought under Resolution 7 will cease to be valid if ordinary Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) prior to 25 November 2020.
 - 6) The shares will be issued for the purpose of raising working capital for the Company, which includes continuation of the Company's activities, the assessment and evaluation of new business development opportunities and general working capital purposes. A proportion of the shares may be issued for non-cash consideration and in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.
 - 7) The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A (and any applicable amendments to those ASX Listing Rules) upon issue of any equity securities.
 - 8) 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 allottees of any equity securities that may be issued (subject to Shareholder approval of Resolution 7) have not been determined as at the date of this Notice but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - a) the methods of raising funds available to the Company (including but not limited to, rights issue or other issues in which existing security holders can participate), while balancing interest from potential allottees with the interests of existing Shareholders;

² Closing price on 2 October 2019 was \$0.22 per share.

- b) the effect of the issue of equity securities on the control of the Company and balancing the interests of existing Shareholders. Allocation will be subject to takeover thresholds;
- c) the financial situation and solvency of the Company and its need for working capital at any given time; and
- d) advice from corporate, financial and broking advisors (if applicable).

Previous approval under ASX Listing Rule 7.1A

The Company (formerly Mobilarm Limited, ASX: 'MBO') previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2017 Annual General Meeting held on 21 November 2017.

In the twelve months preceding the date of the proposed AGM, the Company has issued 13,665,000 fully paid ordinary shares, 6,098,669 unquoted warrants and 7,591,923 unquoted options (a total of 27,355,592 equity securities), which represents 13% of the total number of equity securities on issue at the commencement of the 12 month period (being 25 November 2018), details of which are as set out below.

- 1) A total of 13,220,000 fully paid ordinary shares were issued on 15 May 2019 pursuant to the Placement as announced by the Company to the ASX on 8 May 2019. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the Part A of the table below.
- 2) A total of 1,591,923 unquoted options were issued to employees under Jaxsta's Incentive Option Plan on 29 March 2019. The Incentive Option Plan was approved by shareholders in general meeting on 17 August 2018. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in Part A of the the table below.
- 3) A total of 5,798,669 unquoted warrants were issued on various dates to various data partners whom Jaxsta has entered into warrant agreements. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the Part A of the table below where the issue of warrants occurred on or before 30 June 2019 or in Part B of the table below where the issue of warrants occurred after 30 June 2019.
- 4) A total of 6,000,000 unquoted options were issued to directors of the Company under Jaxsta's Incentive Option Plan on 30 September 2019. The Incentive Option Plan was approved by shareholders in general meeting on 17 August 2018. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.
- 5) A total of 445,000 fully paid ordinary shares were issued pursuant to the exercise by various employees of options granted under Jaxsta's Incentive Option Plan (as referred to in item 2 above) on 30 September 2019. The Incentive Option Plan was approved by shareholders in general meeting on 17 August 2018. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.
- 6) A total of 300,000 unquoted warrants were issued on 30 September 2019 to an advisor with whom Jaxsta has entered into a warrant agreement. The specific disclosure required under ASX Listing Rule 7.3A.6 is also included in the table below.

Part A – Specific disclosure required under ASX Listing Rule 7.3A.6 on or before 30 June 2019

Date of Issue	29 March 2019 Issue of Options under the Jaxsta Incentive Option Plan	15 May 2019 Issue of Shares pursuant to Placement	13 March 2019 Issue of Warrants to Universal Music Group	15 March 2019 Issue of Warrants to Warner Music inc.	18 June 2019 Issue of Warrants to Merlin
Number issued	1,591,923	13,220,000	2,852,420	1,351,146	1,125,955
Class of equity securities	Unquoted Options	Fully paid ordinary Shares	Unquoted Warrants	Unquoted Warrants	Unquoted Warrants
Names of persons to whom equity securities were issued	Jaxsta employees eligible to participate in the Jaxsta Incentive Option Plan (the terms of which are summarised in Attachment D)	Allottees who participated in the Placement consisting of a range of sophisticated and professional investors who qualify under the requirements of sections 9 and 708 of the Corporations Act identified by Bell Potter Securities.	Universal Music Group	Warner Music Inc.	Music and Entertainment Rights Licensing Independent Network B.V. (Merlin)
Issue price and discount to market price (if any)	Nil	\$0.25 The shares were issued at a 9% discount to the closing price of Jaxsta shares on 3 May 2019.	Nil	Nil	Nil
Total cash consideration	Nil	A\$3,305,000	Nil	Nil	Nil
Use of cash consideration	Not applicable	Proceeds from the issue of shares will be used to accelerate the launch of the Jaxsta Pro subscription service and Jaxsta API that are part of the long-term business plan. Funds will be used primarily for: Sales, marketing and promotional activities supporting the launch of Jaxsta	Not applicable	Not applicable	Not applicable

		- Continued systems and platform development of Jaxsta Pro - New API platform development - Working capital			
Non-cash consideration	Unquoted options were issued to Jaxsta employees under the Incentive Option Plan as part of the remuneration package for employees. The current value of the unquoted options is \$350,223 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	Not applicable	Unquoted warrants were issued pursuant to the warrant agreement as disclosed to the ASX on 12 March 2019 and 14 March 2019. The current value of the unquoted warrants is \$627,532 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	Unquoted warrants were issued pursuant to the warrant agreement as disclosed to the ASX on 15 March 2019. The current value of the unquoted warrants is \$297,252 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	Unquoted warrants were issued pursuant to the warrant agreement as disclosed to the ASX on 18 June 2019. The current value of the unquoted warrants is \$247,710 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.

Part B – Specific disclosure required under ASX Listing Rule 7.3A.6 after 30 June 2019

Date of Issue	30 July 2019 Issue of Warrants to APRA	30 September 2019 Issue of Warrants to non-executive directors	30 September 2019 Issue of Shares pursuant to the exercise of Options	30 September 2019 Issue of Warrants to an advisor
Number issued	469,148	6,000,000	445,000	300,000
Class of equity securities	Unquoted Warrants	Unquoted Warrants	Fully paid ordinary shares	Unquoted Warrants
Names of persons to whom equity securities were issued	Australasian Performing Right Association Ltd (APRA)	Eligible non-executive to participate in the Jaxsta Incentive Option Plan (the terms of which are summarised in Attachment D).	Jaxsta employees who exercised Options granted under the Jaxsta Incentive Option Plan (the terms of which are summarised in Attachment D).	Mr Adam Riholtz
Issue price and discount to market price (if any)	Nil	Nil	\$0.25	Nil
Total cash consideration	Nil	Nil	Nil	Nil
Use of cash consideration	Not applicable	Not applicable	Not applicable	Not applicable
Non-cash consideration	Unquoted warrants were issued pursuant to the warrant agreement as disclosed to the ASX on 30 July 2019. The current value of the unquoted warrants is \$103,212 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	Unquoted warrants were issued pursuant to Jaxsta's Incentive Option Plan as approved by shareholders in general meeting on 17 August 2018 The current value of the unquoted warrants is \$1,320,000 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	The Shares were issued pursuant to the exercise of unquoted options issued under Jaxsta's Incentive Option Plan as part of the remuneration package for employees. The current value of the Shared \$97,990 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.	Unquoted warrants were issued pursuant to the warrant agreement as disclosed to the ASX on 30 July 2019. The current value of the unquoted warrants is \$66,000 based on Jaxsta's closing share price of \$0.22 on 2 October 2019.

- 7) A Voting Exclusion Statement is set out under the Resolution in the Notice of Meeting. Potential allottees under the 10% Placement Facility (should it be approved) have not been identified as at the date of this Notice but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company.

Resolution 7 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 7.

Resolution 8: Amendment to terms of the Share Sale and Purchase Agreement relating to the disposal of Marine Rescue Technologies Limited

Jaxsta Ltd (formerly Mobilarm Limited) entered into a Share Sale and Purchase Agreement with Secure2Go Group Limited ACN 612 127 867 (**Secure2Go** or the **Buyer**) on or about 18 May 2018 (**SSPA**) under which Mobilarm Limited sold all of the shares and other securities in its subsidiary, Marine Rescue Technologies Limited CRN 4202403 (**Marine Rescue Technologies** or **MRT**) to Secure2Go Group, or its nominee JJC Capital Pte Ltd (**Disposal**).

The Company sought and received Shareholder approval for the Disposal at the 2018 EGM. The terms of the Disposal have subsequently been amended a number of times. The table in section 'A. *Previous amendments and shareholder approval*' below sets out the material terms of the Disposal as amended over time by reference to the amending documents and shareholder approvals sought in respect of such amendments.

A. Previous amendments and shareholder approvals

No.	Date	Document	Description of key terms / amendments	Notes
1	18 May 2018	Share Sale and Purchase Agreement re the Disposal (SSPA)	SSPA: • (Disposal) Secure2Go (or one of its wholly owned subsidiaries or nominees) is to acquire all of the issued capital and other securities (if any) issued in MRT which is owned 100% by the Company. • (Consideration) \$6,000,000 payable in two tranches: (a) \$2,000,000 on completion, and (b) \$4,000,000 on the second anniversary of completion. • (Warranties) The SSPA included customary warranties and indemnities from the Company for a transaction of this type	Shareholder approval received at an EGM on 17 August 2018. As at the date of this notice, the current terms of the Disposal remain the same subject only to the amendments referred to in rows 2 and 3 below.
2	22 May 2018	First amendment	• (Consideration) \$6,000,000 payable in three tranches: (a) \$1,000,000 on	Secure2Go nominated JJC Capital Pte Limited (JJC) to

No.	Date	Document	Description of key terms / amendments	Notes
		agreement to the SSPA	- completion, (b) \$1,000,000 on the first anniversary of completion, and (c) \$4,000,000 on the second anniversary of completion. (Nominee) Secure2Go may nominate an alternative purchaser to purchase the shares in MRT subject to certain conditions being met.	purchase 75% of the shares in MRT on completion with the other 25% being purchased by Secure2Go.
3	17 November 2018	Side letter to the SSPA	(Consideration) reduced from \$6,000,000 to \$4,623,813 in connection with the waiver and forgiveness of intercompany loan amounts owed from the Company to MRT. Consideration is payable in two tranches: (a) \$623,813 on the first anniversary of completion, and (b) \$4,000,000 on the second anniversary of completion, (each a Deferred Payment).	Under this arrangement, the Company received non-cash consideration of \$1,376,187 in connection with the Disposal.
-	28 December 2018		(Completion) The Disposal completed on 28 December 2018 and the purchasers' obligations to pay each Deferred Payment remained on foot.	
4	26 April 2019	Second amendment agreement to the SSPA	(Consideration) subject to the receipt of shareholder approval, in connection with the purchasers paying the two Deferred Payments by 28 June 2019, the consideration was reduced to \$3,000,000. (Default) if the reduced consideration was not received on 28 June 2019, the consideration would revert to the full amount due as at 17 November 2018 (\$4,623,813 - see row 3 above).	Shareholder approval received at an EGM on 13 June 2019. The purchasers defaulted so a short extension was granted (see row 5 below).
5	28 June 2019	Third amendment agreement to the SSPA	(Extension) the purchasers were granted a short extension to 31 July 2019 to pay the reduced consideration of \$3,000,000 (as set out in row 4 above).	Default would have the same effect as referred to in row 4 above. The purchasers defaulted so the terms described in row 1 as amended by the changes in rows 2 and 3 constitute the current terms of the Disposal.
6	25 September 2019	Fourth amendment agreement to the SSPA	See material terms described in section 'B. <i>Proposed further amendments to the terms of the SSPA for the Disposal</i> ' below.	The proposed amendments remain subject to shareholder approval.

B. Proposed further amendments to the terms of the SSPA for the Disposal

The Company, Secure2Go and JJC entered into a further SSPA Amendment Agreement dated 25 September 2019 (**SSPA Amendment Agreement**).

Under the SSPA Amendment Agreement, it is proposed that, subject to Shareholders approving Resolution 8, the payment terms for the Disposal be amended to accelerate the receipt of the Deferred Payments by the Company. In consideration for the accelerated payments, the Company has agreed to reduce the aggregate amount of the Deferred Payments by an amount of either \$823,814 or \$1,423,814 (depending on when the Second Deferred Payment is actually made) (together, the **Discounted Deferred Payments**).

Subject to Shareholder approval, the key proposed amendments to the terms of the SSPA to be approved by Shareholders are:

- **(Consideration)** The consideration payable to the Company will be either:
 - \$3,200,000 comprised of: (a) \$1,500,000 due promptly after the Company receives Shareholder approval as contemplated by Resolution 8, and (b) \$1,700,000 due on or before 31 March 2020, reflecting a total discount of \$1,423,814 as compared to the amount of the Deferred Payments due to the Company as at the date of this Notice; OR
 - \$3,800,000 comprised of: (a) \$1,500,000 (plus GST or VAT, if applicable) due promptly after the Company receives Shareholder approval as contemplated by Resolution 8, and (b) \$2,300,000 (plus GST or VAT, if applicable) due on or before 28 December 2020, reflecting a total discount of \$823,814 as compared to the amount of the Deferred Payments due to the Company as at the date of this Notice; and
- **(Escrow)** On execution of the SSPA Amendment Agreement, the first payment of \$1,500,000 was put into escrow and must be release to the Company promptly upon it receiving Shareholder approval for the SSPA Amendment Agreement,

(together, the **Proposed Amendments**).

The Company has already received \$1,376,186.87 in connection with the Disposal as per the amendments made on 17 November 2018 (see row 3 in the table set out in section 'A. Previous amendments and shareholder approval' above).

The Proposed Amendments require Shareholder approval under the ASX Listing Rules and therefore, the Proposed Amendments will not take effect if Shareholder approval is not forthcoming at the Meeting. In the event Shareholder approval is not obtained, the terms and conditions of the SSPA (as previously amended) will continue to apply and the payments payable will be required to be paid in accordance with the existing terms of the SSPA.

ASX Listing Rule 11.2

ASX Listing Rule 11.2 provides that where a company proposes to make a significant change in the nature or scale of its activities which involves the disposal of its main undertaking, it must first obtain the approval of its shareholders.

The Company sought and received Shareholder approval for the Disposal under Listing Rule 11.2 at the 2018 EGM.

The Company further sought and received Shareholder approval for amendments to the terms of the Disposal under Listing Rule 11.2 at its EGM held on 13 June 2019. However, as noted above, the amendments approved at that EGM are no longer applicable as Secure2Go and JJC failed to comply with the terms of the amendment documents. As such, the Deferred Payments are due to the Company as set out above. Resolution 8 now therefore seeks Shareholder approval for the Proposed Amendments to be incorporated into the SSPA to permit the Company to receive the Discounted Deferred Payments on an accelerated timetable in accordance with the Proposed Amendments and as set out in this Explanatory Memorandum.

Indicative Timetable

Subject to Shareholder approval, the ASX Listing Rules and the Corporations Act requirements, the Company anticipates that payment of the remaining funds will occur in accordance with the following timetable:

Event	Indicative date
ASX Announcement of Proposed Amendments	25 September 2019
Meeting to consider Proposed Amendments	25 November 2019
Payment of \$1,500,000 of the Discounted Deferred Payments pursuant to Proposed Amendments	28 November 2019
Payment of <i>either</i> :	
• \$1,700,000, being the remainder of the Discounted Deferred Payments pursuant to Proposed Amendments; <i>or</i>	31 March 2020
• \$2,300,000, being the remainder of the Discounted Deferred Payments pursuant to Proposed Amendments.	28 December 2020

Financial effect of the Proposed Amendments on the Company

The impact of the Proposed Amendments on the Company's balance sheet:

- if Resolution 8 is approved by Shareholders is set out in the proforma balance sheet contained in Attachment E; and
- if Resolution 8 is not approved by Shareholders is set out in the proforma balance sheet contained in Attachment F.

The aggregate purchase price payable to the Company by Secure2Go under the SSPA will be \$4,623,813 bringing the total consideration received in connection with the Disposal to \$6,000,000.

The net result of the Proposed Amendments however is that aggregate deferred Consideration payable to the Company by Secure2Go under the SSPA will be \$3,200,000 or \$3,800,000, bringing the total consideration received in connection with the Disposal to \$4,576,186 or \$5,176,186, in each case, depending on when the final payment is received and subject to Shareholders approving Resolution 8.

The Company currently intends to use the cash consideration to be received by the Company in accordance with the Proposed Amendments on the following basis:

- sales, marketing and promotional activities supporting the launch of Jaxsta Pro;
- continued systems and platform development of Jaxsta Pro;

- continued API platform development; and

working capital. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

There will be no impact on the capital structure of the Company.

No change to Board as a result of the Proposed Amendments

The Directors confirm that there will be no changes to the Company's Board or to senior management personnel of the Company as a result of the Proposed Amendments.

Reasons for and against the Proposed Amendments

The Company is seeking Shareholder approval for the Proposed Amendments having regard to various commercial factors including, but not limited to, those set out below:

Advantages

The Company:

- subject to Shareholders approving Resolution 8 and Secure2Go complying with the revised payment terms, will have access to \$1,500,000 in cash by approximately 28 November 2019;
- will be able to use these funds to focus on development of the Jaxsta Pro product and other revenue generating products and its business;
- will mitigate the risks associated with longer deferred payment mechanisms including the risk that the Discounted Deferred Payments may be delayed or even not paid at all; and
- is able to get a greater sum of "cash in the bank" faster than it would have been able to achieve under the current terms of the SSPA.

Disadvantages

The Company

- will receive either \$2,800,000 or \$2,200,000 less cash from the Disposal (depending on the timing of the final payment) as a result of the Proposed Amendments; and
- there is no certainty that Secure2Go will be able to comply with the payment terms with respect to the final payment, in which case, as a 29 December 2020 \$2,300,000 will be due and payable to the Company and the Company need to determine whether to enforce the security granted in connection with the Disposal in order to recover some or all of the outstanding deferred consideration from Secure2Go (or its related bodies corporate, as applicable).

Impact on Business Model

As the Disposal has been completed and the Proposed Amendments relate to the payment terms of the Discounted Deferred Consideration for the Disposal, the Proposed Amendments will not have any impact on the business model of the Company as described in the Company's Prospectus dated 7 September 2018 (as supplemented by the Company's Supplementary Prospectus dated 28 September 2018). The Proposed Amendments provide the Company with access to \$1,500,000 in cash by around 28 November 2019 to operate the Jaxsta business.

No ASX responsibility for this Notice

The Company confirms that ASX takes no responsibility for the contents of this Notice.

Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8.

Attachment A - Terms and conditions of Merlin Warrants

Key Term	Description
Grant of Warrants	The Warrants were granted on 18 June 2019 in two tranches: 1) an initial tranche of 562,977 Warrants (Tranche 1 Warrants); and 2) a second tranche of 562,977 Warrants (Tranche 2 Warrants).
Entitlement	Each Warrant entitles the holder to subscribe for one Share upon exercise of the Warrant.
Exercise Price	Subject to a reorganisation of capital (described in the 'Reorganisation of Capital' section below), the amount payable upon exercise of each Warrant is A\$0.01 (Exercise Price).
Vesting	The Warrants will vest as follows: • Tranche 1 Warrants will vest on the date that is the last day of the month preceding the first year anniversary of the Tranche 1 Warrants being granted (First Vesting Date); • Tranche 2 Warrants will vest on the date that is the last day of the month preceding the second year anniversary of the Tranche 2 Warrants being granted (Second Vesting Date); • upon the occurrence of a merger, consolidation, takeover bid or scheme of arrangement in respect of the Company (or any event similar to those events involving a change in the ownership of a majority of the shares in the Company or control of the Company or all or a substantial part of the assets of the Company); or • any other event as determined by the Board.
Expiry Date	Each Warrant will expire on the date that is the seventh year anniversary of the vesting date of the Warrant as detailed in the 'Vesting' section above (Expiry Date).
Exercise Period	The Warrants are exercisable during the period commencing on the applicable vesting date of the Warrants as detailed in the 'Vesting' section above and ending on the Expiry Date (Exercise Period). The holder's right to exercise a Warrant immediately lapses at midnight on the Expiry Date.
Notice of Exercise	A Warrant may be exercised during the Exercise Period by notice to the Company (Notice of Exercise) and payment of the Exercise Price for each Warrant within 5 days of the date of the Notice of Exercise.
Timing of issue of Shares on exercise	Upon the exercise of a Warrant, the Company must: 1) within five (5) business days of the date on which the Exercise Notice takes effect, subject to any change to the number of Shares to be issued or to the Exercise Price required under the terms applicable to the Warrants as a result of a reorganisation of the Company's share capital, issue to the holder one Share for each Warrant exercised; 2) apply to ASX for listing or quotation of the Shares to be issued pursuant to the exercise of the Warrants and any such application must be made in accordance with the ASX Listing Rules;

Key Term	Description
	3) subject to the Corporations Act, issue a certificate representing the Shares issued on exercise of the Warrants within five (5) business days of the issue of the Shares.
Shares issued on exercise	Shares issued on exercise of the Warrants will, subject to the Company's Constitution, rank equally with the existing Shares at the date of issue.
Reorganisation of capital	If prior to the issue of Shares on exercise of a Warrant, there is a reorganisation of the capital of the Company (including pro-rata bonus or rights issue, consolidation, subdivision, reduction or return), the Warrant and the Exercise Price of the Warrant is to be changed in the manner set out in the Warrant Agreement subject to the requirements of the Corporations Act and the ASX Listing Rules.
Participation in new issues	The holder may only participate in new issues of Shares if the holder exercises any Warrants and becomes the holder of Shares on or prior to the record date for the new issue of Shares.
Transferability	The Warrants are not transferable for a period of 12 months from the date the Warrants are issued to the holder without the prior written consent of the Company other than where a Permitted Vesting Event occurs or where there is a transfer to a related body corporate of the Warrant holder with the prior consent of the Company.

Attachment B - Terms and conditions of APRA Warrants

Key Term	Description
Grant of Warrants	The Warrants were granted on 30 July 2019 in two tranches: 1) an initial tranche of 234,574 Warrants (Tranche 1 Warrants); and 2) a second tranche of 234,574 Warrants (Tranche 2 Warrants).
Entitlement	Each Warrant entitles the holder to subscribe for one Share upon exercise of the Warrant.
Exercise Price	Subject to a reorganisation of capital (described in the 'Reorganisation of Capital' section below), the amount payable upon exercise of each Warrant is A\$0.01 (Exercise Price).
Vesting	The Warrants will vest as follows: 1) Tranche 1 Warrants will vest on the date that is the last day of the month preceding the first year anniversary of the Tranche 1 Warrants being granted (First Vesting Date); 2) Tranche 2 Warrants will vest on the date that is the last day of the month preceding the second year anniversary of the Tranche 2 Warrants being granted (Second Vesting Date); 3) upon the occurrence of a merger, consolidation, takeover bid or scheme of arrangement in respect of the Company (or any event similar to those events involving a change in the ownership of a majority of the shares in the Company or control of the Company or all or a substantial part of the assets of the Company); or 4) any other event as determined by the Board.
Expiry Date	Each Warrant will expire on the date that is the seventh year anniversary of the vesting date of the Warrant as detailed in the vesting section above (Expiry Date).
Exercise Period	The Warrants are exercisable during the period commencing on the applicable vesting date of the Warrants as detailed in the 'Vesting' section above and ending on the Expiry Date (Exercise Period). The holder's right to exercise a Warrant immediately lapses at midnight on the Expiry Date.
Notice of Exercise	A Warrant may be exercised during the Exercise Period by notice to the Company (Notice of Exercise) and payment of the Exercise Price for each Warrant within five (5) days of the date of the Notice of Exercise.
Timing of issue of Shares on exercise	Upon the exercise of a Warrant, the Company must: 1) within five (5) business days of receipt of the Exercise Price by the Company, subject to any change to the number of Shares to be issued or to the Exercise Price required under the terms applicable to the Warrants as a result of a reorganisation of the Company's share capital, issue to the holder one Share for each Warrant exercised; 2) apply to ASX for listing or quotation of the Shares to be issued pursuant to the exercise of the Warrants and any such application must be made in accordance with the ASX Listing Rules; and

Key Term	Description
	3) subject to the Corporations Act, issue a certificate representing the Shares issued on exercise of the Warrants within five (5) business days of the issue of the Shares.
Shares issued on exercise	Shares issued on exercise of the Warrants will, subject to the Company's Constitution, rank equally with the existing Shares at the date of issue.
Reorganisation of capital	If prior to the issue of Shares on exercise of a Warrant, there is a reorganisation of the capital of the Company (including pro-rata bonus or rights issue, consolidation, subdivision, reduction or return), the Warrant and the Exercise Price of the Warrant is to be changed in the manner set out in the Warrant Agreement subject to the requirements of the Corporations Act and the ASX Listing Rules.
Participation in new issues	The holder may only participate in new issues of Shares if the holder exercises any Warrants and becomes the holder of Shares on or prior to the record date for the new issue of Shares.
Transferability	The Warrants are not transferable for a period of 12 months from the date the Warrants are issued to the holder without the prior written consent of the Company other than: 1) where a Permitted Vesting Event occurs; 2) where there is a transfer to a related body corporate of the Warrant holder with the prior consent of the Company; or 3) in connection with the sale of all or substantially all of the assets of the Warrant holder with the prior written consent of the Company (and such consent cannot be unreasonably withheld).

Attachment C - Terms and conditions of AR Warrants

Key Term	Description
Grant of Warrants	The Warrants were granted on 30 September 2019 in two tranches: 1) an initial tranche of 150,000 Warrants (Tranche 1 Warrants); and 2) a second tranche of 150,000 Warrants (Tranche 2 Warrants).
Entitlement	Each Warrant entitles the holder to subscribe for one Share upon exercise of the Warrant.
Exercise Price	Subject to a reorganisation of capital (described in the 'Reorganisation of Capital' section below), the amount payable upon exercise of each Warrant is the 20 day VWAP of the Company's shares of each share to be issued (Exercise Price).
Vesting	The Warrants will vest as follows: 1) Tranche 1 Warrants will vest on the date that the Warrants were granted (First Vesting Date); 2) Tranche 2 Warrants will vest on the date that is the first anniversary of the date the Warrants were granted (Second Vesting Date); 3) upon the occurrence of a merger, consolidation, takeover bid or scheme of arrangement in respect of the Company (or any event similar to those events involving a change in the ownership of a majority of the shares in the Company or control of the Company or all or a substantial part of the assets of the Company); or 4) any other event as determined by the Board.
Expiry Date	Each Warrant will expire on the date that is the seventh year anniversary of the vesting date of the Warrant as detailed in the vesting section above (Expiry Date).
Exercise Period	The Warrants are exercisable during the period commencing on the applicable vesting date of the Warrants as detailed in the 'Vesting' section above and ending on the Expiry Date (Exercise Period). The holder's right to exercise a Warrant immediately lapses at midnight on the Expiry Date.
Notice of Exercise	A Warrant may be exercised during the Exercise Period by notice to the Company (Notice of Exercise) and payment of the Exercise Price for each Warrant within five (5) days of the date of the Notice of Exercise.
Timing of issue of Shares on exercise	Upon the exercise of a Warrant, the Company must: 1) within five (5) business days of the Exercise Notice taking effect (which includes the delivery to the Company of an amount equal to the aggregate the Exercise Price due in respect of all Warrants being exercised), subject to any change to the number of Shares to be issued or to the Exercise Price required under the terms applicable to the Warrants as a result of a reorganisation of the Company's share capital, issue to the holder one Share for each Warrant exercised; 2) apply to ASX for listing or quotation of the Shares to be issued pursuant to the exercise of the Warrants and any such application must be made in accordance with the ASX Listing Rules; and

Key Term	Description
	3) subject to the Corporations Act, issue a certificate representing the Shares issued on exercise of the Warrants within five (5) business days of the issue of the Shares.
Shares issued on exercise	Shares issued on exercise of the Warrants will, subject to the Company's Constitution, rank equally with the existing Shares at the date of issue.
Reorganisation of capital	If prior to the issue of Shares on exercise of a Warrant, there is a reorganisation of the capital of the Company (including pro-rata bonus or rights issue, consolidation, subdivision, reduction or return), the Warrant and the Exercise Price of the Warrant is to be changed in the manner set out in the Warrant Agreement subject to the requirements of the Corporations Act and the ASX Listing Rules.
Participation in new issues	The holder may only participate in new issues of Shares if the holder exercises any Warrants and becomes the holder of Shares on or prior to the record date for the new issue of Shares.
Transferability	The Warrants (and any Shares issued on exercise of the same) are not transferable for a period of 12 months from the date the Warrants are issued to the holder without the prior written consent of the Company other than: 1) where a Permitted Vesting Event occurs; 2) where there is a transfer to a related body corporate of the Warrant holder with the prior consent of the Company; or 3) in connection with the sale of all or substantially all of the assets of the Warrant holder with the prior written consent of the Company (and such consent cannot be unreasonably withheld).

Attachment D - Summary of the Jaxsta Incentive Option Plan

Key Term	Description
Eligibility	Participants in the Jaxsta Incentive Option Plan (Plan) may be: 1) a Director (whether executive or non-executive) of the Company, its subsidiaries and any other related body corporate of the Company (Group Company); 2) a full or part time employee of any Group Company; 3) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order) (Class Order); or 4) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a Participant under clauses (i), (ii) or (iii) above, who is declared by the Board to be eligible to receive grants of Options under the plan (Participants).
Offer	The Board may, from time to time, in its absolute discretion, make a written offer to any Participant (including a Participant who has previously received an offer) to apply for up to a specified number of Options, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
Plan limit	The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
Issue price	Unless the Options are quoted on the ASX, Options issued under the plan will be issued for no more than nominal cash consideration.
Vesting Conditions	An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option (Vesting Conditions).
Vesting	The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Options due to: 1) Special Circumstances arising in relation to a Relevant Person in respect of those Options; 2) a Change of Control (defined below) occurring; or 3) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
Lapse of an Option	An Option will lapse upon the earlier to occur of: 1) an unauthorised dealing in the Option;

Key Term	Description
	2) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to vest the Option (e.g., due to death, total and permanent disability); 3) in respect of unvested Options only, a Participant ceases to be a Participant, unless the Board exercises its discretion to vest the Options (e.g., due to death, total and permanent disability) or allow the unvested Options to remain unvested after the relevant person ceases to be a Participant; 4) in respect of vested Options only, a relevant person ceases to be a Participant and the Option granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be a Participant; 5) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Participant; 6) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Option; and 7) the expiry date of the Option.
Not transferrable	Options are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
Shares	Shares resulting from the exercise of the Options shall, subject to any Sale Restrictions (refer below) from the date of issue, rank on equal terms with all other Shares on issue.
Quotation of Shares	If Shares of the same class as those issued upon exercise of Options issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
Share Sale Restrictions	The Board may, in its discretion, determine at any time up until exercise of Options, that a restriction period will apply to some or all of the Shares issued to a Participant (or their eligible nominee) on exercise of those Options up to a maximum of seven (7) years from the grant date of the Options.
No Participation Rights	There are no participating 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 without exercising the Options.
Reorganisation	If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
Amendments	Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Option granted under the Plan including giving any amendment retrospective effect.
Definitions	Capitalised terms used in the above summary are as defined in the Plan, including:

Key Term	Description
	<i>Change of Control</i> means:
	1) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares; 2) a court approves, under section 411 (4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or 3) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Attachment E - Impact of the Proposed Amendments on the Company's balance sheet if Resolution 8 is approved

Jaxsta Limited

30-Jun-19

Pro-forma Statement of Financial Position - \$AUD

Prepared on the basis that Shareholders approve Resolution 8 - Secure2Go SSPA Amendment Agreement

		Audited Accounts	Pro-forma adjustment	Pro-forma Audited
		30-Jun-19	Pro-forma Adjustment to Receivable from Secure2Go Group Limited	30-Jun-19
Note		\$	\$	\$
Current Assets				
	1	2,452,760	3,200,000	5,652,760
	2	705,248	(623,813)	81,435
		187,402	-	187,402
Total Current Assets		3,345,410	2,576,187	5,921,597
Non-current assets				
	2	3,176,187	(3,176,187)	-
		42,019	-	42,019
		4,393,845	-	4,393,845
Total non - current assets		7,612,051	(3,176,187)	4,435,864
Total assets		10,957,461	(600,000)	10,357,461
Current liabilities				
		599,692	-	599,692
		26,597	-	26,597
		159,389	-	159,389
Total current liabilities		785,678	-	785,678
Non-current liabilities				
		88,902		88,902
Total non-current liabilities		88,902	0	88,902
Total liabilities		874,580	-	874,580
Net Assets		10,082,881	(600,000)	9,482,881
Equity				
		35,670,064	-	35,670,064
	3	(26,183,999)	(600,000)	(26,783,999)
		596,816	-	596,816
Total equity		10,082,881	(600,000)	9,482,881

Explanation

Audited Accounts at 30 June 2019

The Audited Financial Statements at 30 June 2019 were prepared on the basis that Shareholders would approve the Secure2Go SSPA Amendment and that Secure2Go does not make the final payment on or before 31 March 2020. This resulted in the Receivable from Secure2Go being impaired by \$823,814 in the June 2019 Financial Statements.

Pro-forma Adjustment - Receivable from Secure2go Pty Limited

The Pro-Forma Adjustment has been made on the basis that Shareholders approve the Secure2Go SSPA Amendment and that Secure2Go makes the final payment on or before 31 March 2020. This will result in a further impairment of the Receivable from Secure2G of \$600,000. This would mean the total impairment of the Secure2Go Receivable would be \$1,423,814.

The adjustment reflects the collection of \$3.8 million from Secure2Go Group Limited in relation to the sale of the MRT Business. On this basis, \$3,800,000 is expected to be collected from Secure2Go Group Limited with \$1.5 million to be collected within 12 months and the balance of \$2.3million due by 28 December 2020. As part of an agreement made with Secure2go Pty Limited, it was agreed that the group will forgive an additional \$600,000 (a total discount of \$1,423,813) if \$1.5 million was paid immediately into escrow with the balance of \$1.7 million due by 31 March 2020. The effect of this transaction on the Statement of Financial Position and Equity is explained below.

Notes

- 1 The adjustment reflects the collection of \$3.2million in cash from Secure2Go Group Limited by 31 March 2020.
- 2 & 3 The total receivable of \$3,800,000 is further reduced by \$600,000 following the collection of \$3.2million in cash. The additional \$600,000 discount is recorded against Profit and Loss (Accumulated losses within Equity)

Attachment F - Impact of the Proposed Amendments on the Company's balance sheet if Resolution 8 is not approved

Jaxsta Limited

30-Jun-19

Pro-forma Statement of Financial Position - \$AUD

Prepared on the basis that Shareholders do not approve Resolution 8 - Secure2Go SSPA Amendment Agreement

		Audited	Pro-forma adjustment	Pro-forma
		30-Jun-19	Pro-forma Adjustment to Receivable from Secure2Go Group Limited	Audited
	Note	\$	\$	30-Jun-19
				\$
Current Assets				
Cash and cash equivalents	1	2,452,760	4,623,813	7,076,573
Trade and other receivables	2	705,248	(623,813)	81,435
Other assets		187,402	-	187,402
Total Current Assets		3,345,410	4,000,000	7,345,410
Non-current assets				
Trade and other receivables	2	3,176,187	(3,176,187)	-
Property, plant and equipment		42,019	-	42,019
Intangible assets		4,393,845	-	4,393,845
Total non - current assets		7,612,051	(3,176,187)	4,435,864
Total assets		10,957,461	823,813	11,781,274
Current liabilities				
Trade and other payables		599,692	-	599,692
Loans and borrowings		26,597	-	26,597
Provisions		159,389	-	159,389
Total current liabilities		785,678	-	785,678
Non-current liabilities				
Provisions		88,902	-	88,902
Total non-current liabilities		88,902	0	88,902
Total liabilities		874,580	-	874,580
Net Assets		10,082,881	823,813	10,906,694
Equity				
Contributed equity		35,670,064	-	35,670,064
Accumulated losses	3	(26,183,999)	823,813	(25,360,186)
Reserves		596,816	-	596,816
Total equity		10,082,881	823,813	10,906,694

Explanation

Audited Accounts at 30 June 2019

The Audited Financial Statements at 30 June 2019 were prepared on the basis that Shareholders would approve the Secure2Go SSPA Amendment and that Secure2Go does not make the final payment on or before 31 March 2020. This resulted in the Receivable from Secure2Go being impaired by \$823,814 in the June 2019 Financial Statements.

Pro-forma Adjustment - Receivable from Secure2go Pty Limited

The Pro-Forma Adjustment has been made on the basis that Shareholders do not approve the Secure2Go SSPA Amendment and that Secure2Go makes the payments in accordance with the terms of the current SSPA. This will result in a reversal of the impairment of the Receivable from Secure2G of \$823,614 that is currently recorded in the June 2019 Audited Accounts. This would mean there would be no impairment of the Secure2Gio Receivable.

The adjustment reflects the collection of \$4.623 million from Secure2Go Group Limited in relation to the sale of the MRT Business. On this basis, \$4,623,814 is expected to be collected from Secure2Go Group Limited with \$623,814 to be collected on 28 December 2019 and the balance of \$4 million due by 28 December 2020. The effect of this transaction on the Statement of Financial Position and Equity is explained below.

Notes

- The adjustment reflects the collection of \$3.2million in cash from Secure2Go Group Limited by 28 December 2020.
- 2 & 3 The current impairment of \$823,614 is reversed following the collection of \$4.623 million in cash. The reversal of the impairment of \$823,614 is recorded against Profit and Loss (Accumulated losses within Equity)

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JAXSTA LTD**ACN: 106 513 580****REGISTERED OFFICE:**LEVEL 1
113-115 OXFORD STREET
DARLINGHURST NSW 2010

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SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

T: 1300 992 916 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

«Holder_name»

«Address_line_1»

«Address_line_2»

«Address_line_3»

«Address_line_4»

«Address_line_5»

«Company_code» «Sequence_number»

Code:

JXT

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.

2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

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The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am (Sydney Time) on Monday, 25 November 2019 at the offices of Maddocks at Angel Place, Level 27, 123 Pitt Street, Sydney NSW and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. Re-election of Director-Jorge Nigaglioni
2. Remuneration Report
3. Ratification of prior issue of securities - Music and Entertainment Rights Licensing Independent Network B.V. (Merlin)
4. Ratification of prior issue of securities - Australasian Performing Right Association Limited (APRA)
5. Ratification of prior issue of securities (Placement)
6. Ratification of prior issue of securities – Adam Ritholz
7. Approval of additional share issue capacity under ASX Listing Rule 7.1A
8. Amendment to terms of the Share Sale and Purchase Agreement relating to the disposal of Marine Rescue Technologies Limited (MRT)

For Against Abstain*☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10.00am (Sydney Time) on Saturday 23 November 2019.

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My/Our contact details in case of enquiries are:

Name:

Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

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 must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.