

Bulletproof Group Limited

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

To be held at 1.00pm on
Friday 13 November 2015 at
Level 17, 383 Kent Street
Sydney NSW 2000

A copy of the Company's 2015 Financial Report can be found on the Company's website
www.bulletproof.net.au/investors/financial-results/

BULLETPROOF GROUP LIMITED (ACN 148 162 092)

Notice is given that the Annual General Meeting of Bulletproof Group Limited will be held at 1.00pm on Friday 13 November 2015 at Level 17, 383 Kent Street, Sydney NSW 2000.

Please read this document carefully and in its entirety, determine how you wish to vote in relation to each of the resolutions and then cast your vote accordingly, either in person or by proxy. If you do not understand any part of this document, or are in any doubt as to the course of action you should follow, you should contact your financial or other professional adviser.

Consideration of the Financial Report

To receive and consider the Annual Financial Report of the Company, together with the Directors' Report and Auditor's Report, for the year ended 30 June 2015.

Neither the Corporations Act 2001 nor the Company's Constitution requires a vote of shareholders on the reports. However, shareholders will be given the opportunity to ask questions or make comments on the reports at the meeting. The Auditor will be in attendance at the meeting and can answer questions on the conduct of the audit and the contents of the Auditor's Report.

Remuneration Report**Resolution 1 Adoption of the Remuneration Report**

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

"That the Remuneration Report for the year ended 30 June 2015 be adopted, details of which are set out in the explanatory notes."

- *This resolution is advisory only and does not bind the Company or the Directors.*
- *When reviewing the Company's remuneration policies the Directors will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting.*
- *If 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.*

Election of Directors

Resolution 2 Re-election of Mr David Paterson as Director

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

“That Mr David Paterson, who retires by rotation in accordance with the Company’s Constitution and being eligible, offers himself for re-election, be elected as a director of the Company.”

Capacity

Resolution 3 Capacity Refresh

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

“That for the purpose of Listing Rule 7.4 and for all other purposes, approval be given for the issue of:

- (a) 15,200,000 ordinary shares at an issue price of \$0.25 per share by way of a placement to institutional investors on 23 September 2015 and otherwise as described in the Explanatory Statement; and*
- (b) 456,125 ordinary shares issued on 28 August 2015 at a price of \$0.30 as part consideration for a business acquisition and otherwise as described in the Explanatory Statement.”*

Issue of Capital

Resolution 4 Issue of Capital

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

“That for the purpose of Listing Rule 7.1 and for all other purposes, approval be given for the issue of a maximum of 4,214,972 ordinary shares at an issue price of \$0.33 per share for the purpose and on the terms described in the Explanatory Statement.”

OTHER BUSINESS

To transact any other business as may be brought before the Meeting in accordance with the Company’s Constitution and the Corporations Act.

BY ORDER OF THE BOARD

Kylie Turner

Company Secretary

Dated: 8 October 2015

VOTING EXCLUSIONS

In accordance with the Corporations Act 2001 and the Australian Securities Exchange Listing Rules, the Company will disregard any votes cast on:

Resolution 1 - Adoption of Remuneration Report

By:

- (a) A member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report (in any capacity); or
- (b) A closely related party of such a member.

However, a person described above may cast a vote on the resolution if:

- The person does so as a proxy of a person entitled to vote and who is appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- The vote is cast by the Chairman as the nominated proxy for a person who is permitted to vote where the proxy appointment does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

Resolution 3 – Capacity Refresh

By any person who participated in the issues of ordinary shares under the placement or the business acquisition and any associates of any such person.

However, a person described above may cast a vote on the resolution if:

- The person does so as a proxy of a person entitled to vote and who is appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- The vote is cast by the Chairman, as the nominated proxy for a person who is permitted to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Issue of Capital

By any person who may participate in the proposed issue of capital and 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 and any associates of those persons.

However, a person described above may cast a vote on the resolution if:

- The person does so as a proxy of a person entitled to vote and who is appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- The vote is cast by the Chairman, as the nominated proxy for a person who is permitted to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

EXPLANATORY NOTES

This Explanatory Memorandum has been prepared for the shareholders of Bulletproof Group Limited to provide information about the items of business to be considered at the Annual General Meeting of shareholders. Shareholders are encouraged to read this document in full.

All of the resolutions to be voted on are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution for it to be carried. Resolution 1 is a non-binding resolution.

If appropriate and if time permits, the Chairman will discuss significant issues raised by shareholders prior to the Meeting and will invite questions and comments from shareholders on these key issues and any other appropriate and relevant matters that shareholders would like to raise at the Meeting.

In addition, a reasonable opportunity will be given to members present at the Meeting to ask the Company's auditor, Grant Thornton, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor. If you would like to submit a written question to Grant Thornton before the Meeting on any of the foregoing matters, please send your question to the Company Secretary, Kylie Turner, at kylie.turner@bulletproof.net before 6 November 2015.

How will the Chairman vote as proxy if the Shareholder has not directed the Chairman to vote?

The Chairman intends to vote in favour of all resolutions. If a shareholder appoints the Chairman of the Annual General Meeting as proxy and does not direct the Chairman how to vote on a resolution then, if that shareholder is entitled to vote on that resolution, the Chairman will vote in favour of that resolution.

Resolution 1 - Adoption of the Remuneration Report

Consistent with section 250R of the Corporations Act, the Company submits to shareholders for consideration and adoption, by way of a non-binding resolution, its Remuneration Report for the year ended 30 June 2015.

The Remuneration Report is a distinct section of the annual Directors' Report which deals with the remuneration of directors and executives (which includes senior management) of the Company. The Remuneration Report can be located in the Company's Financial Statements on pages 10 to 12.

The resolution is advisory only and does not bind the Company or its directors. However the Board will consider the outcome of the vote and comments made by shareholders at the meeting on the remuneration report when reviewing the Company's remuneration policies. If 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must stand for re-election.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

Resolution 2 – Re-election of Mr David Paterson

In accordance with the Constitution, Mr David Paterson who has been appointed as a director in June 2011, retires pursuant to Clause 9.2, effective at the conclusion of this Meeting, and being eligible, offers himself for re-election. Mr Paterson began his career as a geologist and then spent 20 years in operational and management positions with 3 national stock broking and financial planning firms. David was a Member of ASX Ltd and brings experience in capital markets and finance to the company. David has been a director of several listed exploration and mining companies. He is currently a director and Acting CEO of UraniumSA Limited and was Chairman of Spencer Resources Ltd prior to its acquisition of Bulletproof Networks. David was re-appointed Chairman on 24 September 2015.

Recommendation: The Board (other than Mr Paterson) supports the election of Mr Paterson.

Resolution 3 – Placement Capacity Refresh

Resolution 3 seeks the approval of Shareholders for the prior issue of:

- (a) 15,200,000 ordinary shares on 23 September 2015 in connection with a placement to institutional investors; and
- (b) 456,125 ordinary shares on 28 August 2015 as part consideration for a business acquisition to the owners of cloud consulting and professional services company, Pantha Corp.

which have not already been approved by Shareholders for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any shares, if the number of those shares exceeds 15% of the company's issued capital at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of the Rule.

The Company is seeking shareholder approval to the issues of securities described above, which were issued pari passu to existing securities. The shares issued on 23 September 2015 were placed at an issue price of \$0.25 per share with a number of institutional investors and the funds received from that placement were used as consideration for the Company's acquisition of Infoplex Pty Ltd. The shares issued on 28 August 2015 were issued at a price of \$0.30 per share to the owners of cloud consulting and professional services company, Pantha Corp. The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval so that the Company retains financial flexibility and can take advantage of commercial opportunities that may arise.

Recommendation: The Board recommends you vote in favour of this resolution.

Resolution 4 – Issue of Capital

Resolution 4 seeks the approval of Shareholders for the proposed issue a maximum of 4,214,972 ordinary shares in two separate tranches as part consideration for the purchase of the assets of cloud consulting and professional services company, Pantha Corp, on 11 December 2014, which depend on an earn out formula as described below.

In addition to the upfront payment of \$800,000 by the Company to Pantha Corp, the transaction included a number of performance based hurdles to allow the owners of Pantha Corp to earn up to a further \$3.1 million. Those performance-related payments are payable as a 50:50 mix of cash and scrip in the Company. One payment has already been made, which included the 456,125 ordinary shares issued on 28 August 2015 (as referred to in Resolution 3), reducing the total further consideration available in shares to \$1,390,941. At the set issue price of \$0.33 per share, this means there is a maximum of 4,214,972 shares that may be issued.

The targets are linked to measures where the Pantha Corp business is expected to bring material additional value to the Company, including acquiring new professional services and consulting customers for the Company – growing profitable revenues. A material part of the targets is based on the successful release to the market of new products, which are expected to significantly bolster recurring earnings with additional operating leverage and scalability. In summary, the performance-based earn out payment is calculated as the aggregate of the following elements over the period from 12 December 2014 to 30 June 2016:

- Growth in profitable professional services revenues, with payment calculated as 50% of the growth of the Company's gross revenue relating to its professional services business (excluding certain low margin revenue, and as compared to the combined revenue of the Company and Pantha Corp in FY2015) for the period, up to a total of \$1.4m with half available to be paid in shares.
- Growth in professional services customer numbers with payment based on the increase over the period of customers, up to a maximum increase of 45 additional customers, with \$8,888.89 payable for each additional customer, up to a total payment of \$400,000 with half available to be paid in shares.
- Successful release to market of new managed application platform products with a payment of \$144,444.44 payable per product up to nine new products, giving a maximum total payment of \$1.3 million with half available to be paid in shares.

All the measures are benchmarked over three consecutive half-year periods corresponding with the audited results of the Company, and must be achieved by the end of June 2016. If the remaining targets are not met by that time, under the terms of the purchase agreement, Pantha Corp will not be entitled to the corresponding payments.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any shares, if the number of those shares exceeds 15% of the company's issued capital at the commencement of that 12 month period.

The effect of obtaining shareholder approval under Resolution 4 will be to allow the Company to issue up to 4,214,972 ordinary shares without using the Company's 15% annual placement capacity.

The Company is seeking shareholder approval to issue a maximum of 4,214,972 ordinary shares at an issue price of \$0.33 per share to the owners of Pantha Corp.

The price per share is calculated in accordance with the asset purchase deed in relation to the Pantha Corp business dated 11 December 2014, which stated that the price per share for the two tranches will be the greater of:

- (a) \$0.33; and
- (b) the volume weighted average price of ordinary shares in the Company traded on the ASX, calculated over the 30 trading days immediately prior to 11 December 2014.

The entitlement to the shares will be assessed as at each of 31 December 2015 and 30 June 2016, and it is expected that the shares will be issued in two tranches following each such determination (likely to be in February 2016 and August 2016 respectively).

Pursuant to Listing Rule 7.3, the shares must be issued within 3 months from the date of this meeting unless a waiver is granted by ASX. The Company has applied for a waiver as at the date of this notice of meeting.

The Board believes that it is in the best interests of the Company to maintain the ability to issue further equity securities representing up to 15% of the Company's share capital during the next 12 months in order to take advantage of commercial opportunities that may arise.

Recommendation: The Board recommends you vote in favour of this resolution.

IMPORTANT INFORMATION

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

1. For the purposes determining the voting entitlement at the Annual General Meeting, persons on the register of members as at 7.00pm Sydney time on Wednesday, 11 November 2015 will be treated as members. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to vote in respect of that share.
2. To vote in person, attend the Annual General Meeting at the time, date and place set out above.
3. To vote by proxy a proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing and must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:
 - by post to Link Market Services, Locked Bag A14, Sydney South NSW 1235, or;
 - by facsimile to Link on +61 2 9287 0359 or the Company on +61 2 9662 4744; or
 - electronically by casting votes online at www.linkmarketservices.com.au and follow the prompts. To use this facility you will need your holder number (SRN or HIN), postcode and control number as shown on the proxy form. You will have been taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
 - the proxy need not be a member of Bulletproof Group Limited; and
 - a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
4. A final copy of this Notice of Annual General Meeting and the explanatory notes has been lodged with ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this document.

Bulletproof Group Limited

ABN 84 148 162 092

LODGE YOUR VOTE

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

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

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

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

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:00pm on Friday, 13 November 2015 at Level 17, 383 Kent Street, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

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

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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

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

Resolutions

	For	Against	Abstain*
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr David Paterson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Capacity Refresh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:00pm on Wednesday, 11 November 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

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

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

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