

CANCELLATION OF GENERAL MEETING AND REVISED REMUNERATION OF MANAGING DIRECTOR

ASX RELEASE

28 JUNE 2017

The directors of **BidEnergy Limited (ASX: BID)** advise that the Notice of General Meeting lodged with ASX on 15 June 2017 has been withdrawn and the General Meeting of Members scheduled to be held on 17 July 2017 has been cancelled.

The Company intends to convene a new General Meeting in early August and will issue a new Notice of Meeting in due course. This notice will include the following resolutions:

Resolution 1	Issue of Performance Rights to Mr Philip Adams
Resolution 2	Ratification of RealWinWin Consideration Shares and Options
Resolution 3	Approval of RealWinWin Earn-Out Consideration Shares

Resolution 1 will seek shareholder approval for the issue of up to 19 million Performance Rights to Mr Philip Adams (and not Shares), following an amendment to the terms and conditions of the remuneration of Mr Philip Adams in his capacity as Managing Director of the Company as set out in Annexure A to this announcement. These 19 million Performance Rights will vest in three tranches, subject to the achievement of certain performance milestones as set out in Annexure B to this announcement. Further details will be provided in the explanatory statement to accompany the new Notice of Meeting.

Details regarding Resolutions 2 and 3 will remain unchanged from the detail presented in the Notice dated 15 June 2017.

A resolution seeking shareholder approval for potential termination benefits for Mr Philip Adams will no longer be sought.

Further Information:

Mr Bob Browning

Chairman

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About BidEnergy Ltd

BidEnergy is an Australian-based technology company. Based in Melbourne, its cloud-based platform gives organisations control over their energy spend throughout the contract lifecycle. By automatically capturing and validating invoices and meter data, customers can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce on-bill charges using sophisticated analytics and reporting.

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ANNEXURE A: Summary of Executive Services Agreement (as amended)

A summary of the material terms of Mr Adams' amended Executive Services Agreement are as follows:

Term	Mr Adams' appointment as Managing Director became effective on 1 May 2017 and will continue until it is terminated by the Company or Mr Adams in accordance with the terms and conditions set out in the Executive Services Agreement between the Company and Mr Adams.
Services	Mr Adams has been engaged to provide those services usually required of a Managing Director of a Company of the scale and nature of BidEnergy Limited and its subsidiaries.
Remuneration	<p>Mr Adams will be paid a base salary of US\$270,000 per annum ("Base Salary").</p> <p>Subject to shareholder approval, Mr Adams may also be entitled to an equity package of 19 million performance rights as follows:</p> <ul style="list-style-type: none"> - 6,333,333 Class A Performance Rights; - 6,333,333 Class B Performance Rights; and - 6,333,334 Class C Performance Rights. <p>The full terms and conditions of the Performance Rights are set out in Annexure B to this announcement.</p>
Performance-based incentives	Subject to any applicable regulatory or shareholder approvals, Mr Adams may receive annual performance-based bonuses over and above the Base Salary in cash or non-cash form up to an amount equal to 45% of the Base Salary, upon the achievement of value accretive objectives to be formally defined by the Board at the beginning of each fiscal year.
Termination	The Executive Services Agreement between the Company and Mr Adams can be terminated summarily or by the Company during the first 12 months by giving notice for a period equivalent to Mr Adam's length of service or after completion of 12 months by giving 12 months' notice (or payment in lieu of such notice provided such payment does not exceed 4.99% of the equity interests of the Company less any other termination benefits payable to officers of the Group). Mr Adams may terminate the Executive Services Agreement by giving 3 months' notice to the Company.

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ANNEXURE B: TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1. **Consideration:** The Performance Rights will be issued for nil consideration.
2. **Milestones:** The Performance Rights shall have the following milestones attached to them (**Milestones**):
 - (i) **Class A Performance Rights:** The BidEnergy Group successfully completing the material transaction as announced by the Company on or around 30 June 2017.
 - (ii) **Class B Performance Rights:** The BidEnergy Group achieving gross revenue of \$6.5 million for the financial year ended 30 June 2018 as verified by audited accounts.
 - (iii) **Class C Performance Rights:** The BidEnergy Group achieving gross revenue of \$9 million for the financial year ended 30 June 2019 as verified by audited accounts.
3. **Vesting:** The relevant Performance Rights shall vest on the later to occur of:
 - (i) the date that the Milestone relating to that Performance Right has been satisfied; and
 - (ii) the date that the Board of the Company gives Notice to the holder in writing confirming that the Milestones have been satisfied and the Performance Rights have vested.

(“Vesting Conditions”).
4. **Conversion:** Upon satisfaction of the Vesting Conditions, each Performance Right will convert into one Share. No consideration will be payable upon the vesting of the Performance Rights.
5. **Expiry:** The Performance Rights will expire on the following dates:
 - (i) **Class A Performance Rights:** 30 November 2017.
 - (ii) **Class B Performance Rights:** 30 November 2018.
 - (iii) **Class C Performance Rights:** 30 November 2019.

(“Expiry Date”).
6. **Lapse of a Performance Right:** Any Performance Right that has not vested before the Expiry Date will automatically lapse on the Expiry Date.
7. **Share ranking:** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
8. **Listing of Shares on ASX:** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
9. **Transfer of Performance Rights:** A Performance Right is not transferable except with the prior written consent of the board of the Company.

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10. **Participation in new issues:** There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
11. **Adjustment for bonus issue:** If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the number of Performance Rights to which each holder is entitled, will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.
12. **Adjustment for reconstruction:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right (including the Vesting Conditions) are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
13. **Dividend and Voting Rights:** A Performance Right does not confer upon the holder an entitlement to vote or receive dividends.
14. **Change of Control:** Performance Rights which have not vested or lapsed will automatically vest and be deemed to immediately become vested Performance Rights where:
- (i) BidEnergy Limited announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return) of the issued capital of BidEnergy Limited) and the Court, by order, approves the scheme of arrangement;
 - (ii) a Takeover Bid:
 - (A) is announced;
 - (B) has become unconditional; and
 - (C) the person making the Takeover Bid has a relevant interest in 50% or more of the Shares; or
 - (iii) any person acquires a relevant interest in 50.1% or more of the Shares by any other means.
15. **Ceasing to be Managing Director:** Where the Employee ceases to be the Managing Director of the Company as a result of:
- (i) death or total and permanent disability;
 - (ii) bona fide redundancy; or
 - (iii) bona fide retirement,

unless the Board determines otherwise, in respect of those Performance Rights where the Vesting Condition has not been satisfied but have not lapsed, the Employee will be permitted to continue to hold those Performance Rights and those Performance Rights may vest if the Vesting Conditions are satisfied.

Where the Employee ceases to be the Managing Director in any other circumstance or as otherwise determined by the Board, all Performance Rights held will lapse immediately upon cessation of Employment.

16. **Tax Withholding:**

- (i) At any time required by applicable law, the Employee hereby authorizes withholding from payroll and any other amounts payable by the BidEnergy Group to the Employee, and otherwise agrees to make adequate provision for, any sums required to satisfy the United States federal, state, local and foreign tax (including any social insurance) withholding obligations of the BidEnergy Group (the "Tax Obligations"), if any, which arise in connection with the Performance Rights, the vesting of the Performance Rights or the issuance of Shares in settlement thereof. BidEnergy Limited shall have no obligation to deliver such Shares until the Tax Obligations have been satisfied by the Employee.
- (ii) Subject to compliance with applicable law and BidEnergy Limited's securities trading compliance policies, if permitted by BidEnergy Limited, the Employee may satisfy the Tax Obligations in accordance with procedures established by BidEnergy Limited providing for delivery by the Employee to BidEnergy Limited or a broker approved by BidEnergy Limited of properly executed instructions, in a form approved by BidEnergy Limited, providing for the assignment to BidEnergy Limited of the proceeds of a sale with respect to some or all of the Shares being acquired upon settlement of the Performance Rights.
- (iii) BidEnergy Limited shall have the right, but not the obligation, to require the Employee to satisfy all or any portion of the Tax Obligations by deducting from the Shares otherwise deliverable to the Employee in settlement of the Performance Rights a number of whole Shares having a fair market value, as determined by BidEnergy Limited as of the date on which the Tax Obligations arise, not in excess of the amount of such Tax Obligations determined by the applicable minimum statutory withholding rates.
- (iv) Subject to compliance with applicable law and in the Company's sole discretion, the Employee may be permitted to satisfy all or any portion of the Tax Obligations by the Employee's promissory note in favor of the Company in the amount of such Tax Obligations or portion thereof. Unless otherwise permitted by the Company, such promissory note shall be a full recourse note, with principal and interest payment maturing no more than 2 years following the date of the promissory note. Interest on the principal balance of the promissory note shall be payable at the minimum interest rate necessary to avoid imputed interest pursuant to all applicable provisions of the Code. Such promissory note shall be secured by the Shares issued to the Employee pursuant to a security agreement in a form approved by the Company. At any time the Company or other member of the BidEnergy Group is subject to any law affecting the extension of credit to the Employee, the promissory note shall comply with such applicable regulations, and the Employee shall immediately pay the unpaid principal and accrued interest, if any, to the extent

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necessary to comply with such regulations. Except as the Company determines in its sole discretion, the Employee shall pay the unpaid principal balance of the promissory note and any accrued interest thereon upon termination of the Employee's service with the BidEnergy Group for any reason, with or without cause.

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