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**MANALTO LIMITED**

**ACN 098 640 352**

**NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

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**TIME:** 10.00am WST  
**DATE:** Thursday, 21 December 2017  
**PLACE:** Level 11, London House  
216 St Georges Terrace,  
PERTH WA 6000

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

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

**The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00 pm (WST) on Tuesday, 19 December 2017.**

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9481 0389.***

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## BUSINESS OF THE ANNUAL GENERAL MEETING

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### AGENDA

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#### 1. REPORTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017, together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

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

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2017."*

**Short Explanation:** The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

**Voting Prohibition Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

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

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

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

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#### 3. RESOLUTION 2 – RE-ELECTION OF DR JAMES ELLINGFORD

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

*"That, for the purposes of clause 9.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, James Ellingford, being a Director appointed to fill a casual vacancy, retires and, being eligible, is re-elected as a Director."*

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#### 4. RESOLUTION 3 – RE-ELECTION OF MR TERENCE CLEE

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

*"That, for the purposes of clause 9.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Terence Clee, being a Director appointed to fill a casual vacancy, retires and, being eligible, is re-elected as a Director."*

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**5. RESOLUTION 4 – RE-ELECTION OF MR TIM WILSON**

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

*"That, for the purposes of clause 9.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Tim Wilson, being a Director appointed to fill a casual vacancy, retires and, being eligible, is re-elected as a Director."*

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**6. RESOLUTION 5 – PLACEMENT OF SHARES & OPTIONS**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 3,000,000,000 Shares at \$0.001 per Share to raise up to \$3,000,000 and two attaching Options for every three Shares issued, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**7. RESOLUTION 6 – ISSUE OF ADVISER SHARES & OPTIONS**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 200,000,000 Shares and 200,000,000 attaching Options for every two Shares issued, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**8. RESOLUTION 7 - APPROVAL FOR ISSUE OF SHARES UPON CONVERSION OF CONVERTIBLE NOTES**

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

*"That for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 550,000,000 ordinary fully paid shares that may be required to be issued upon conversion of the unsecured convertible notes to professional, sophisticated and other exempt investors that do not require disclosure under Chapter 6D of the Corporations Act, on the terms and conditions set out in the Statement that accompanies and forms part of this Notice."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if this Resolution is passed. However, the Company need not disregard a vote if 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 it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

**Dated: 9 November 2017**

**By order of the Board**

**ELIZABETH HUNT  
COMPANY SECRETARY  
MANALTO LIMITED**

For personal use only

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. BACKGROUND TO RESOLUTIONS

The current Board took charge of Manalto on 15 September 2017 replacing the outgoing directors. Resolutions 2, 3 and 4 seek approval to re-elect the new directors.

On 4 October 2017, the Company announced that EverBlu Capital ("EverBlu") had committed to the short-term funding of the Company.

EverBlu committed to filling a A\$550,000 equity capital raise from the Chairman's List which has now been completed via the issue of Convertible Notes. Resolution 7 seeks shareholder approval for the conversion of the notes.

Furthermore, EverBlu has committed to a minimum of A\$1.5m to support the short-term funding of the Company in order to ensure the Company can pay debts as they fall due, as well as providing longer term support in follow up capital raises. It is EverBlu's current intention that the amount will not be less than A\$1.5m and up to A\$3m.

Resolution 5 seeks approval for the placement of shares (and attaching options) to raise up to \$3 million. The purpose of this Placement will be to further develop the core Manalto business (as detailed below) and general working capital.

Since 15 September 2017, the Board has conducted a comprehensive review of the core Manalto product, code, customer base, sales pipeline and sales strategy to further understand the existing customers and business. There was a particular focus on examining the work of the software development team based in South Africa, as well as the existing sales strategy and pipeline managed by the US sales team.

#### Manalto

Manalto focuses on assisting franchises/SMEs to ensure brand consistency; solving both scalability and distributed challenges. With Manalto's unique targeting capabilities; franchise/SME managers can ensure posts/profile & cover updates are published to the right social media franchise/SME pages at scale. With clients having up to 1.5k pages of different network types (primarily Facebook); Manalto provides a solution for clients to organise their business structure into Business Units within Manalto to reflect how the organization is structured "in real life". Not only can the businesses distribution be reflected in Manalto, but with Manalto's highly granular and customizable permission structure, Franchisees/SMEs and Franchisors can co-exist with applicable permissions for corporate to push down Franchise level campaigns and for Franchisees to decide whether they wish to opt in to these initiatives; providing the transparency required by these types of business structures.

Clients using Manalto have been able to take back control of their brand and, more easily and efficiently, manage their brand consistency; as well as reach far higher volumes of advertising volume. The Boards intention is to ensure that adequate funding is available to maintain and continue product development over the coming twelve months to ensure our Enterprise Solution: multi-location/multi-brand distributed organizations across a wide range of industries are properly serviced.

#### Product overview

Positioned as social media management platform for multi-site / multi-brand distributed organizations needing to integrate social media into their core operational and marketing

activities with central head-office oversight and control while allowing decentralized engagement.

- Uses responsive design to optimize for desktop, tablet. scalable, cloud-based software with built-in security and control measures.
- Allows head office to analyze performance of campaigns and posts by franchisee/SME

#### Social networks supported

Facebook, Twitter, LinkedIn and Instagram (selected capability currently on Instagram in line with public API) with plans to expand platforms supported.

#### Publishing and posting features

The Manalto product is able to schedule and publish content across one or 000's of social media pages and multiple platforms in just one click. Post using Geo-targeting publishing capability Utilize tags to target specific pages or topic subscriptions Create Post templates for selection and use by network Personalize links to specific websites or pages in each post Video Posting Assign and save related posts to campaigns Update profile and cover images across multiple pages simultaneously Features drag-and-drop editor with widgets (i.e., text, image, maps, iframe, Twitter feeds.) Centralized image library to store and share approved branded assets and content, with Multiple Image posting capability

Manalto provides the ability for users to update all, or a subset, of their pages' profile and cover photos. Users can also publish posts aimed at specific pages based on set of targeting parameters e.g. location of the page. Once a user has completed the "create post" process the post will be sent for approval. Manalto has 2 layers of approval; 1 being the approval of a certain role or permission type within the system. i.e. users that have publisher permissions will be able to approve posts. The other layer of approval is that which is set at a page level. At a page level an email can be stored, to which a post approval email is sent when a post is scheduled to publish to this page. This means that the owner of the page; whether they are uses of the system or not, will have moderation ability to control what gets published on their page. Manalto also has a layer of

#### Workflow management

Granular user permissions based on role or task. Permissions can be assigned at the single user or group levels. Clients can structure permissions to mirror the existing corporate and marketing structure through geographic filters. Internal and external user collaboration security available. Single sign-on with the ability to view social accounts as per assigned permissions.

#### Listening/monitoring tools

Integrated with standard analytics from supported networks (Facebook, LinkedIn, Twitter.) Aggregates analytics from multiple social media profiles into a single head office view. Pulls live Community feed of social media content from imported assets. Ability to comment on content in real time. Social Listening - enabling Key-Word search, Word Cloud and monitoring across existing community pages, at scale. Social Listening with Sentiment Analysis based in IBM Watson.

#### Analytics and reporting

The board is committed to ensuring platform driven analytics is available across platforms supported built-in auditing and tracking to view and monitor user actions. Aggregates analytics across all assets or able to view at post, or page level. Analytics available by post and campaign Advanced BI Analytics which while historically being developed with Microsoft is something the board want to re-focus engagement on during 2018.

#### Multiple canned reports available with export capabilities

Analytics: The page and post level analytics are collected and analysed by Manalto. The user can use Manalto to analyse the performance of their social media in a collective way. Users can analyse Page Like growth to see if their fan base is trending upwards or downwards. Users can also monitor their Page Reach, Page Views, Page Impressions, Page Engagement and Reactions. Users can export these analytics. All analytic widgets can currently be pinned to the Dashboard and resized for a total customized experience. Within Social Listening the user can view an analyses of each post/comment sentiment data. A sentiment type and score; as well as an emotion analysis is derived, determining whether the post/comment is negative, neutral or positive and how much of each of the 5 emotions it has; namely: anger, disgust, fear, joy and sadness. A word cloud is generated showing the most used words by the community so that the user may have insight into what their fans are talking about; and their feelings surrounding these topics. The board feels that further development in the code is required to keep this feature current and relevant as the social landscape continues to evolve.

The Board of Manalto want to ensure the product offering not only remains relevant but grows steadily in the ever changing landscape of social media. Ensuring adequate cash flow and investment is paramount to the products overall success from not only a code and development standpoint but also sales and marketing.

#### Future Plans

The additional funds raised will also be used to provide security, support and growth opportunities to the US based sales and customer support team (the US and Australia are key markets for Manalto).

The additional funding will ensure that Manalto is able to enhance the existing core product by seeking high value add integrations and bug fixes to the Manalto core product. Manalto is in a technical position to integrate cutting edge technologies such as blockchain into the product offering. The Board expects the new funding will put Manalto in a position to pursue numerous high value add software integrations in Q1 and Q2 of 2018.

To achieve these integrations, which will drive sales of the Manalto core product, it will be essential to have sufficient funding to retain some existing personnel and recruit new team members. This includes supporting some of the South African development team via employment contracts with Manalto, during the first quarter of 2018. These integrations, as well as the increased support to the US sales team, should put Manalto in a position to achieve sales growth by Q4 2018.

The new funding will also enable Manalto to settle outstanding creditors.

The new Board has extensive experience in growing information technology businesses. In particular, the Board has success in driving software sales and e-commerce businesses. Dr James Ellingford was International President of the USD\$9bn NASDAQ listed Take 2 Interactive. He has particular expertise in building software sales and development teams. Terence Clee also has experience in software sales and e-commerce. In particular, Terence in another role, has success in driving software sales to major clients who happen to also be major current and target clients of Manalto, including several major Australian real estate groups.

The following table sets out a summary of the Resolutions in this Notice and their effect on the Company's capital structure.

	Shares	Options
<b>As at the date of this Notice</b>	<b>372,388,632</b>	<b>57,476,809</b>
Resolution 1- Adoption of remuneration report	-	-
Resolution 2 - Re-election of James Ellingford	-	-
Resolution 3 – Re-election of Terence Clee	-	-
Resolution 4 – Re-election of Tim Wilson	-	-
Resolution 5 – Placement of Shares & Options	3,000,000,000	2,000,000,000
Resolution 6 – Issue of Adviser Shares & Options	200,000,000	200,000,000

Resolution 7 – Approval for the issue of Shares upon conversion of Convertible Notes	550,000,000	-
<b>Assuming the issue of all securities</b>	<b>4,122,388,632</b>	<b>2,257,476,809</b>

## 2. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's 2017 Annual Report to Shareholders unless specifically requested to do so. The Company's 2017 Annual Report is available on its website at [www.manalto.com](http://www.manalto.com).

## 3. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

### 3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

### 3.2 Voting Consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 3.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 3.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

***If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy***

***You must direct your proxy how to vote*** on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

***If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).***

You ***do not*** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

***If you appoint any other person as your proxy***

You ***do not*** need to direct your proxy how to vote on this Resolution, and you ***do not*** need to mark any further acknowledgement on the Proxy Form.

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## 4. RESOLUTION 2 – RE-ELECTION OF DR JAMES ELLINGFORD

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an additional to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Clause 9.2 of the Constitution provides that any director appointed under rule 9.1 holds office only until termination of the next annual general meeting of the Company and is eligible for re-election at that annual general meeting.

Pursuant to Resolution 2, James Ellingford is retiring by rotation under Clause 9.2 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding James Ellingford are set out in the 2017 Annual Report. The Board considers James Ellingford to be an independent director.

### 4.1 Qualifications and other material directorships

Dr Ellingford's professional life culminated in being President of an international publicly listed billion dollar business with its headquarters in Geneva, Switzerland and New York, USA. He has vast experience in the international arena and has successfully developed close ties with both financial institutions as well as governments throughout the world.

Dr Ellingford holds a Post Graduate in Corporate Management, a Masters in Business Administration as well as a Doctorate in Management. Dr Ellingford also lectures MBA students in Corporate Governance at a leading Sydney University and has a keen interest in ethics and governance.

Dr Ellingford was appointed as a Director on 15 September 2017 and is also a director of ASX listed companies Elysium Resources Limited, Creso Pharma Limited and Victory Mines Limited.

The Directors, other than James Ellingford, recommend the re-election of James Ellingford.

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## **5. RESOLUTION 3 – RE-ELECTION OF MR TERENCE CLEE**

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an additional to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Clause 9.2 of the Constitution provides that any director appointed under rule 9.1 holds office only until termination of the next annual general meeting of the Company and is eligible for re-election at that annual general meeting.

Pursuant to Resolution 3, Terence Clee is retiring by rotation under Clause 9.2 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding Terence Clee are set out in the 2017 Annual Report. The Board considers Terence Clee to be an independent director.

### **5.1 Qualifications and other material directorships**

Mr Clee started his professional career at KPMG Sydney, working in Corporate Audit and Tax. He then became a partner in a multidisciplinary legal practice alongside colleagues formerly of Allens Arthur Robinson and Ashurst. Mr Clee's client base comprised of large corporates in the mining and technology space. Mr Clee also has experience in the start-up and small cap space. He has advised technology companies and miners of all sizes on commercialisation, mergers and acquisitions, cross-border transactions and R&D.

Mr Clee holds a Bachelor of Commerce (Accounting) and a Bachelor of Laws from the University of NSW. Mr Clee is a solicitor admitted to the Supreme Court of NSW. He currently serves as a director of numerous ASX listed and unlisted companies

Mr Clee was appointed as a Director on 15 September 2017 and is also a director of ASX listed companies Elysium Resources Limited, Creso Pharma Limited and Victory Mines Limited.

The Directors, other than Terence Clee, recommend the re-election of Terence Clee.

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## **6. RESOLUTION 4 – RE-ELECTION OF MR TIM WILSON**

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an additional to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Clause 9.2 of the Constitution provides that any director appointed under rule 9.1 holds office only until termination of the next annual general meeting of the Company and is eligible for re-election at that annual general meeting.

Pursuant to Resolution 4, Tim Wilson is retiring by rotation under Clause 9.2 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details regarding Tim Wilson are set out in the 2017 Annual Report. The Board considers Tim Wilson to be an independent director.

#### **6.1 Qualifications and other material directorships**

Mr Wilson is an investment banker with over a decade of experience in the Australian financial services industry. He has advised companies across most industry sectors both domestically and internationally, including; Information Technology and Services, Biotechnology, Mining and Infrastructure.

Mr Wilson's corporate experience includes listing and secondary market raises. In particular, Mr Wilson has experience in the Information Technology space with early stage investments; helping founders to build businesses, bring product to market and cater for all types and sizes of capital requirements.

Mr Wilson was appointed as a Director on 15 September 2017.

The Directors, other than Tim Wilson, recommend the re-election of Tim Wilson.

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### **7. RESOLUTION 5 – PLACEMENT OF SHARES & OPTIONS**

#### **7.1 General**

This Resolution seeks Shareholder approval for the issue of up to 3,000,000,000 Shares at an issue price of \$0.001 per Share to raise up to \$3,000,000 plus two attaching Options for every three Shares issued (**Placement**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of this Resolution will be to allow the Company to issue the Shares and Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

The purpose of this Placement will be to develop the Manalto product as set out in section 6.2 (ix) below and general working capital.

#### **7.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (i) the maximum number of Shares to be issued is 3,000,000,000;
- (ii) the maximum number of Options to be issued will be two-thirds of the number of Shares issued;

- (iii) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares and Options will occur progressively;
- (iv) the issue price for Shares will be \$0.001 (0.1 cents);
- (v) the Options will be issued for nil consideration;
- (vi) The persons to to whom the Shares and Options will be issued are not, as yet, identifiable, but will be clients of EverBlu (the lead broker to the Placement, appointed by the Company); none of which will be related parties of the Company;
- (vii) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (viii) the Options to be issued will be on the terms set out in Schedule 1; and
- (ix) the Company intends to use the funds raised from the Placement per the following table.

<b>Use of Funds</b>	<b>\$</b>
Settle existing creditors	1,300,000
Software development (commencing Q1 2018)	500,000
Additional sales team in both Australia and USA	300,000
Additional software engineers in South Africa / India	200,000
Legal and corporate advisers	300,000
Working capital	400,000
<b>Total</b>	<b>3,000,000</b>

### 7.3 Voting Dilution

Any issue of Shares under the Placement will dilute the interests of Shareholders who do not receive any Shares under the Placement.

Assuming no Options are exercised or other Shares are issued and the maximum of 3,000,000,000 Shares are issued, the number of Shares on issue would increase from 372,388,632 (being the number of Shares on issue as at the date of this Notice) to 3,372,388,632 and the shareholding of existing Shareholders would be diluted by 805%.

### 7.4 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to fund its ongoing operations and commitments.

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## **8. RESOLUTION 6 – ISSUE OF ADVISER SHARES & OPTIONS**

### **8.1 General**

This Resolution seeks Shareholder approval for the issue of up to 200,000,000 Shares and 200,000,000 Options to advisers to the Company as consideration for services.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of this Resolution will be to allow the Company to issue the Shares and Options pursuant to this Resolution during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

### **8.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (i) the maximum number of securities to be issued is 200,000,000 Shares and 200,000,000 Options;
- (ii) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (iii) the issue price will be \$0.001 (0.1 cents) per Shares;
- (iv) no funds will be raised via the issue of Options;
- (v) the persons to whom, the Shares and Options will be issued are not, as yet, identifiable, but will be advisers to the Company, including EverBlu and any brokers identified to assist with capital raising, none of which will be related parties of the Company;
- (vi) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (vii) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (viii) no funds will be raised via the issue of Shares and Options as they will be consideration for services received by the Company.

### **8.3 Voting Dilution**

Any issue of Shares under this Resolution will dilute the interests of Shareholders who do not receive any Shares under this Resolution .

Assuming no Options are exercised or other Shares are issued and the maximum number of Shares are issued, the number of Shares on issue would increase from 372,388,632 (being the number of Shares on issue as at the date of this Notice) to 572,388,632 and the shareholding of existing Shareholders would be diluted by 53%.

## 8.4 Directors' Recommendation

None of the Directors have a material personal interest in the subject matter of this Resolution. The Board recommends that Shareholders vote in favour of this Resolution as it will enable the Company to fund its ongoing operations and commitments.

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## 9. RESOLUTION 7 – APPROVAL FOR ISSUE OF SHARES UPON CONVERSION OF CONVERTIBLE NOTES

This Resolution seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 550,000,000 ordinary fully paid shares to be issued upon conversion of 550,000 convertible notes with a face value of \$1.00 each (**Convertible Notes**). The Convertible Notes were issued to professional, sophisticated and other exempt investors that do not require disclosure under Chapter 6D of the Corporations Act.

As announced on 11 October 2017, the Convertible Notes are convertible at a conversion price of \$0.011 per Share. Shareholder approval for these conversions was received on 4 August 2017 however the 550,000 Convertible Notes were not converted under this approval.

The Company now seeks Shareholder approval to convert the Convertible Notes at a conversion price of \$0.001 per Share, consistent with the Placement approval the subject of Resolution 5.

Convertible Notes are immediately convertible on the completion of both receipt of Shareholder approval and the Company issuing a prospectus to qualify the shares issued upon conversion for secondary trading (those being the 'conversion conditions').

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 equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the company's issued share capital at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting document concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must contain the following information:

- The maximum number of securities to be issued under the approval sought through this resolution is 550,000,000 Shares;
- Each Convertible Note is convertible at a price of \$0.001 (0.1 cent) per Share, with fractional entitlements rounded up;
- The shares issued upon conversion of the Convertible Notes will be ordinary fully paid shares which rank equally with the Company's existing ordinary shares;
- Subject to the noteholders electing to convert the Convertible Notes, the Shares the subject of this resolution will be issued no later than three (3) months after the date of the meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act and/or the Australian Securities and Investment Commission);
- The Shares will be issued to noteholders identified by EverBlu all of whom are professional, sophisticated and other exempt investors who do not require disclosure under Chapter 6D of the Corporations Act;

- No funds will be raised through conversion of the Convertible Notes. The Convertible Notes were issued to provide bridging finance.

## **VOTING IN PERSON**

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

## **VOTING BY PROXY**

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To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the Proxy Form by post to Manalito Limited, GPO Box 2517, Perth WA 6831;
- (b) send the Proxy Form by e-mail to [admin@miningcorporate.com.au](mailto:admin@miningcorporate.com.au); or
- (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy forms received later than this time will be invalid.**

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 the company; 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 each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

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## GLOSSARY

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**2017 Annual Report** means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2017, which can be downloaded from the Company's website at [www.manalto.com](http://www.manalto.com).

**Annual General Meeting** or **Meeting** means the Annual General Meeting of the Company convened by this Notice of Meeting.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of Directors of the Company.

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

**Chair** means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** or **Manalto** means Manalto Limited (ACN 098 640 352).

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

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

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Party Securities** has the meaning given in section 4.1 of the Explanatory Statement.

**Related Party Shares** has the meaning given in section 4.1 of the Explanatory Statement.

**Remuneration Report** means that section of the Directors' report under the heading "Remuneration Report" set out in the 2017 Annual Report.

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

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

**Shareholder** means a registered holder of a Share.

**WST** means Western Standard Time, as observed in Western Australia.

For personal use only

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**SCHEDULE 1 – TERMS AND CONDITIONS OF ATTACHING OPTIONS**

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(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.004 (0.4 cents) (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5.00pm (WST) on the date three years from date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the

Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under Schedule 1(g) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **ASX Quotation**

The Company intends to apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

**APPOINTMENT OF PROXY FORM**

**MANALTO LIMITED  
ACN 098 640 352**

**ANNUAL GENERAL MEETING**

I /We

of:

being a Shareholder of Manalto Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

Name:

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit at the Annual General Meeting to be held at Level 11, London House, 216 St Georges Terrace, Perth WA 6000 at 10.00am WST on Thursday, 21 December 2017 and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**Voting on Business of the Annual General Meeting**

		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Dr James Ellingford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Mr Terence Clee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-Election of Mr Tim Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement of Shares & Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Adviser Shares & Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Issue of Shares upon conversion of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:**

**Contact name:**

**Contact telephone  
(daytime):**

**E-mail address:**

**Consent for contact by e-mail  
in relation to this Proxy Form:**

YES  NO

**MANALTO LIMITED**  
**ACN 098 640 352**

**Instructions for Completing "Appointment of Proxy" Form**

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(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 should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
- (a) send the Proxy Form by post to Manalto Limited, GPO Box 2517, PERTH WA 6831;
  - (b) send the Proxy Form by e-mail to [admin@miningcorporate.com.au](mailto:admin@miningcorporate.com.au); or
  - (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy forms received later than this time will be invalid.**