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**ZIPTTEL LIMITED**

**ACN 108 042 593**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 3:00pm (WST)

**DATE:** 30 November 2017

**PLACE:** Suite 1, 437 Roberts Road, Subiaco WA 6008

*This Notice of Meeting 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.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6252 4224.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 3:00pm (WST) on 30 November 2017 at:  
Suite 1, 437 Roberts Road, Subiaco WA 6008

### Your vote is important

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

### Voting eligibility

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The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 28 November 2017.

### Voting in person

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

### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder 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.

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.

Further details on these changes are set out below.

***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2017, together with the Directors' Declaration, the Directors' Report, the Remuneration Report and the Independent Auditor's Report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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."*

**Note: the vote on this Resolution 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 either 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 cast a 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 – ELECTION OF DIRECTOR – MR BERT MONDELLO

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

*"That Mr Bert Mondello who retires in accordance with clause 13.2 of the Constitution and for all other purposes, being eligible, offers himself for election, be elected as a Director."*

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**4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and 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 issue of Equity Securities under this Resolution 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 will 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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**5. RESOLUTION 4 – REMOVAL OF AUDITOR**

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

*“That, subject to and conditional upon Resolution 5 being passed by Shareholders, BDO Audit Pty Ltd, the current auditor of the Company, be removed as the auditor of the Company effective from the date of the Meeting.”*

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**6. RESOLUTION 5 – APPOINTMENT OF AUDITOR**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, subject to and conditional upon Resolution 4 being passed by Shareholders, Regency Audit Pty Ltd being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the auditor of the Company effective from the date of the Meeting and the Directors be authorised to agree their remuneration.”*

**Dated:** 30 October 2017

**By order of the Board**



**Josh Hunt  
Chairman**

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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. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the 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 Directors' Declaration, the Directors' report, the Remuneration Report and the Independent Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available at the registered office of the Company.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 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.

#### 2.2 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.

### 2.3 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.

### 2.4 Proxy voting restrictions

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

Proxy	Directed	Undirected
Key Management Personnel <sup>1</sup>	Voted	Not voted <sup>3</sup>
Chair <sup>2</sup>	Voted	Voted at discretion of Proxy <sup>4</sup>
Other	Voted	Voted at discretion of Proxy

Notes:

<sup>1</sup> Refers to 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.

<sup>2</sup> Refers to the Chair (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).

<sup>3</sup> 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.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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### 3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR BERT MONDELLO

Pursuant to clause 13.2 of the Constitution, Directors are required to retire on a rotational basis. Being eligible, they can offer themselves for election to the Board by Shareholders. Mr Bert Mondello retires from office in accordance with the Constitution and, being eligible, he now offers himself for election to the Board as non-executive director. In the previous year, Mr Mondello was CEO of the Company and not subject to election.

Mr Mondello has more than 20 years' experience across both the private and public sectors. As an Executive, Mr Mondello has substantial capital markets experience and knowledge of equity markets having participated in company restructures, IPOs, RTOs, investor placements and seed raisings. With experience spanning the retail and institutional sectors and extensive knowledge of marketing communications and investor relations, Mr Mondello has provided strategic corporate advice to a number of organisations across multiple industries. Across his career, including as CEO of ZipTel, Mr Mondello has been pivotal in challenging the status quo with innovation in new technologies across a myriad of products and offerings. Mr Mondello is currently also a Non-Executive Director of WestStar Industrial Limited and holds a Bachelor of Laws from The University of Notre Dame, Australia.

Mr Mondello does not expect that his other business activities will interfere with his ability to act as a Non-Executive Director of the Company.

The Directors, other than Mr Mondello, support the election of Mr Mondello and recommend that Shareholders vote in favour of Resolution 2.

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## 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

### 4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity. If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

### 4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 2 classes of quoted Equity Securities on issue, being:

- (a) 149,733,899 Shares (ASX Code: ZIP); and
- (b) 29,720,388 listed Options (ASX Code: ZIPOB) at an exercisable price of \$0.05 each on or before 6 July 2020.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

- (iii) plus the number of Shares issued in the previous 12 months with approval of Shareholders under Listing Rules 7.1 and 7.4. This does not include an issue of ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of Shares cancelled in the previous 12 months.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

#### **4.3 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid), **(10% Placement Capacity Period)**.

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue. If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below. The table shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 and on the assumptions set out below the table.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	DILUTION			
	Issue Price (per Share)	\$0.009 50% decrease in Issue Price	\$0.017 Issue Price	\$0.034 100% increase in Issue Price
149,733,899 (Current Variable A)	Shares issued - 10% voting dilution	14,973,390 shares	14,973,390 shares	14,973,390 shares
	Funds raised	\$127,274	\$254,548	\$509,095
224,600,849 (50% increase in Variable A)	Shares issued - 10% voting dilution	22,460,085 shares	22,460,085 shares	22,460,085 shares
	Funds raised	\$190,911	\$381,821	\$763,643
299,467,798 (100% increase in Variable A)	Shares issued - 10% voting dilution	29,946,780 shares	29,946,780 shares	29,946,780 shares
	Funds raised	\$254,548	\$509,095	\$1,018,191

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are 149,733,899 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing price of Shares on ASX on 20 October 2017, being \$0.017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 or 7.4.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares and it is assumed that no Options are exercised into Shares before the date of issue of the Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10% Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

- (i) the market price for Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new assets and investments in the telecommunications industry (including expenses associated with such an acquisition), further development of Zipt and related Enterprise Models, achieving the Company's strategic objectives and general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments in the telecommunications industry (including expenses associated with such an acquisition), in which circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company. The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval under ASX Listing Rule 7.1A at its annual general meeting of 30 November 2016. The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12-month period preceding the date of the Meeting, being on and from 30 November 2016, the Company otherwise issued a total of 63,932,045 Shares and 29,946,780 Options which represents approximately

81.26% of the total diluted number of Equity Securities on issue in the Company on 30 November 2016, which was 115,522,242 Equity Securities.

- (g) Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule A.

#### **4.4 Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (a) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (b) the information required by Listing Rule 3.10.5A for release to the market.

#### **4.5 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

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### **5. RESOLUTIONS 4 AND 5 – REMOVAL AND APPOINTMENT OF AUDITOR**

Under section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given.

It should be noted that under this section, if a company calls a meeting after the notice of intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the notice of intention is given.

Resolutions 4 and 5 are interdependent, with the result that if only one Resolution is passed by Shareholders, the other does not become effective.

#### **5.1 Removal of Auditor**

Resolution 4 is an ordinary resolution seeking the removal of BDO Audit Pty Ltd as the auditor of the Company. An auditor may be removed in a general meeting provided that the notice of intention to remove the auditor has been received from a member of the company.

In accordance with section 329(2) of the Corporations Act, the Company has sent a copy of the notice to BDO Audit Pty Ltd and the ASIC.

Under section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under section 329 of the Act.

#### **5.2 Appointment of Auditor**

Resolution 5 is a special resolution seeking the appointment of Regency Audit Pty Ltd as the new auditor of the Company. As required by the Corporations Act, a nomination for Regency Audit Pty Ltd to be appointed as the auditor of the Company has been received from a member. A copy of the nomination is set out at Schedule B.

Regency Audit Pty Ltd has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act subject to shareholder approval of this resolution.

If Resolutions 4 and 5 are passed, the appointment Regency Audit Pty Ltd as the Company's auditor will take effect at the close of this Meeting.

## Glossary

\$ means Australian dollars.

**10% Placement Capacity** has the meaning given in Section 4.1 of the Explanatory Statement.

**AGM** or **Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

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

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

**Auditor** means the auditor of the Company.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, 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** means ZipTel Limited (ACN 108 042 593).

**Constitution** means the Company's constitution.

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

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

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**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 Annual General of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

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

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

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

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

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

**Security** means a security issued or to be issued in the capital of the Company, including a Share or an Option.

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

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

**Variable A** means "A" as set out in the calculation in Section 4.2 of the Explanatory Statement.

**Trading Day** means a day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day and any other day that ASX may declare and publish is not a trading day.

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

## SCHEDULE A – ISSUES OF EQUITY SECURITIES SINCE 30 NOVEMBER 2016

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
Issue – 23/12/2016	543,624	Shares <sup>2</sup>	Directors in lieu of fees foregone as approved at the 2016 AGM	No issue price (nil cash consideration – no discount)	Consideration: accounting and legal services provided to the Company Current value <sup>4</sup> = \$9,242
Appendix 3B – 28/12/2016	425,000	Shares <sup>2</sup>	Employees and consultants	No issue price (nil cash consideration – no discount)	Non-cash. Incentive options to employees and consultants. Current value <sup>4</sup> = \$7,225
Issue – 1/5/2017	1,342,673	Shares <sup>2</sup>	Simplisite Business Solutions Pty Ltd	No issue price (nil cash consideration – no discount)	Consideration: IT Development services provided to the Company Current value <sup>4</sup> = \$22,825
Appendix 3B – 1/5/2017	664,303	Shares <sup>2</sup>	BigLeap Digital Pty Ltd	No issue price (nil cash consideration – no discount)	Consideration: IT Development services provided to the Company Current value <sup>4</sup> = \$11,293
	1,062,995	Shares <sup>2</sup>	Employees and consultants	No issue price (nil cash consideration – no discount)	Non-cash. Incentive options to employees and consultants. Current value <sup>4</sup> = \$18,069
Issue – 6/7/2017	59,893,560	Shares <sup>2</sup>	Pro rata participation by Shareholders	\$0.02 per share	Cash consideration: \$1,197,871
Appendix 3B – 13/6/2017	29,946,780	Quoted Options <sup>3</sup>	Pro rata participation by Shareholders	No issue price free attaching to subscription for shares	No consideration, free attaching options Current value <sup>4</sup> = \$119,787

### Notes:

- Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded on the date of issue of the relevant Equity Securities.
- Fully paid ordinary shares in the capital of the Company, ASX Code: ZIP (terms are set out in the Constitution).
- Quoted Options, exercisable at \$0.05 each on or before 6 July 2020. The full terms and conditions were disclosed in the Rights issue Prospectus announced to ASX on 13 June 2017.
- In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.017) or Options (\$0.004) as the context requires on the ASX on 20 October 2017.

**SCHEDULE B – AUDITOR NOMINATION**



24 October 2017

Mr Derek Hall  
ZipTel Limited  
Suite 3, 138 Main Street  
Osborne Park WA 6017

Dear Sir

**Nomination of Regency Audit Pty Ltd as Company Auditor – ZipTel Limited**

I, Mr Bert Mondello, being a director of ZipTel Limited (**Company**), nominate that Regency Audit Pty Ltd be appointed as the new auditor of the Company.

This is to be taken to be as notice pursuant to section 328B(1) of the *Corporations Act 2001* (Cth).

Yours faithfully

A handwritten signature in blue ink, appearing to read "Bert Mondello".

Mr Bert Mondello  
Director  
ZipTel Limited

PH +61 8 6252 4224  
FAX +61 8 9328 2286  
ABN: 41 108 042 593  
SUITE 3,  
138 MAIN STREET OSBORNE PARK 6017

For personal use only

+

**ZIPTTEL LIMITED**

ACN: 108 042 593

**REGISTERED OFFICE:**  
 SUITE 3  
 138 MAIN STREET  
 OSBORNE PARK WA 6017

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«EFT\_REFERENCE\_NUMBER»



«Post\_zone»  
 «Company\_code» «Sequence\_number»

«Holder\_name»  
 «Address\_line\_1»  
 «Address\_line\_2»  
 «Address\_line\_3»  
 «Address\_line\_4»  
 «Address\_line\_5»

**SHARE REGISTRY:**  
 Security Transfer Australia Pty Ltd  
 PO BOX 52  
 Collins Street West VIC 8007  
 Suite 913, Exchange Tower  
 530 Little Collins Street  
 Melbourne VIC 3000  
 T: 1300 992 916 F: +61 8 9315 2233  
 E: registrar@securitytransfer.com.au  
 W: www.securitytransfer.com.au

Code:

ZIP

Holder Number:

«HOLDER\_NUM

**PROXY FORM**

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

**SECTION A: Appointment of Proxy**

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

The meeting chairperson

**OR**


or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 3:00pm WST on Thursday 30 November 2017 at Suite 1.437 Roberts Road, Subiaco WA 6008 and at any adjournment of that meeting.

**SECTION B: Voting Directions**

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

**RESOLUTION**

1. Adoption of Remuneration Report
2. Election of Director - Mr Bert Mondello
3. Approval of 10% Placement Capacity
4. Removal of Auditor
5. Appointment of Auditor

**For Against Abstain\***

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**SECTION C: Signature of Security Holder(s)**

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

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director &amp; Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Ziptel Limited Pty Ltd no later than 3:00pm WST on Tuesday 28 November 2017.

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ZIP

ZIPPX1291117

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My/Our contact details in case of enquiries are:

Name:

Number:

(  )

### 1. NAME AND ADDRESS

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

### 2. APPOINTMENT OF A PROXY

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

### 3. DIRECTING YOUR PROXY HOW TO VOTE

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

### 4. APPOINTMENT OF A SECOND PROXY

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

To appoint a second Proxy you must:

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

### 5. SIGNING INSTRUCTIONS

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

**Joint Holding:** where the holding is in more than one name, all of the Shareholders must sign.

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

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

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

### 6. LODGEMENT OF PROXY

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

#### ZIPTTEL LIMITED

**Street Address** SUITE 3  
138 MAIN STREET  
OSBORNE PARK WA 6017

**Telephone** (08) 6252 4224

**Facsimile** (08) 9328 2286

#### PRIVACY STATEMENT

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



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