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**ASPERMONT LIMITED**  
**ACN 000 375 048**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 4:00 pm (WST) / 7:00 pm (AEDST) / 8:00 am (GMT)

**DATE:** Thursday 1 February 2018

**PLACE:** Aspermont Limited Boardroom, 613-619 Wellington Street, Perth, WESTERN AUSTRALIA; and

Aspermont Media Limited, Conference Room, WeWork Aldgate Tower, 2 Leman Street, London, UNITED KINGDOM

The meeting places will be joined by teleconference.

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

***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.***

***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 4:00 pm (WST) on 30 January 2018.***

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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 financial report of the Company for the financial year ended 30 September 2017 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

#### 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 September 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 – RE-ELECTION OF DIRECTOR – MR ANDREW KENT

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

*“That, for the purpose of clause 13.2 of the Constitution, and for all other purposes, Mr Kent, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR CHRISTIAN WEST

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

*“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr West, a Director who was appointed casually on 24 May 2017, retires, and being eligible, is elected as a Director.”*

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**5. RESOLUTION 4 – ELECTION OF DIRECTOR – MR CLAYTON WITTER**

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

*“That, for the purpose of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Witter, a Director who was appointed casually on 24 May 2017, retires, and being eligible, is elected as a Director.”*

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**6. RESOLUTION 5 – ADOPTION OF PERFORMANCE RIGHTS PLAN**

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

*“That, for the purpose of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the Performance Rights Plan on the terms and conditions summarised in the accompanying Explanatory Statement and to issue Performance Rights from time to time under the Performance Rights Plan.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**7. RESOLUTION 6 – ISSUE OF RELATED PARTY PERFORMANCE RIGHTS TO MR ALEX KENT (OR NOMINEE)**

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

*“That, subject to the passing of Resolution 6, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 27,000,000 Performance Rights as incentive remuneration to Mr Alex Kent (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors and any nominee of Mr Alex Kent (**Resolution 6 Excluded Party**). 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, provided the Chair is not a Resolution 6 Excluded Party, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**8. RESOLUTION 7 – ADOPTION OF NON-EXECUTIVE DIRECTORS’ SALARY SACRIFICE SHARE PLAN**

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 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Non-Executive Directors’ Salary Sacrifice Share Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (c) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (d) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**9. RESOLUTION 8 – ISSUE OF SHARES PURSUANT TO THE NON-EXECUTIVE DIRECTORS’ SALARY SACRIFICE SHARE PLAN – MR GEOFF DONOHUE**

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

*"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to that number of Shares, that is equal to:*

- a. *\$125,000 divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 15 months prior to 31 December 2017; and*
- b. *\$100,000 divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue,*

*in lieu of Mr Geoff Donohue's accrued and prospective salary to Mr Geoff Donohue (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors and any nominee of Mr Geoff Donohue (**Resolution 8 Excluded Party**). 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, provided the Chair is not a Resolution 8 Excluded Party, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**10. RESOLUTION 9 – ISSUE OF SHARES PURSUANT TO THE NON-EXECUTIVE DIRECTORS' SALARY SACRIFICE SHARE PLAN – MR CLAYTON WITTER**

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

*"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to that number of Shares, that is equal to \$45,000 divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue in lieu of Mr Clayton Witter's prospective salary to Mr Clayton Witter (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors

and any nominee of Mr Clayton Witter (**Resolution 9 Excluded Party**). 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, provided the Chair is not a Resolution 9 Excluded Party, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**11. RESOLUTION 10 – ISSUE OF SHARES PURSUANT TO THE NON-EXECUTIVE DIRECTORS' SALARY SACRIFICE SHARE PLAN – MR CHRISTIAN WEST**

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

*"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to that number of Shares, that is equal to \$45,000 divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue in lieu of Mr Christian West's prospective salary to Mr Christian West (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors and any nominee of Mr Christian West (**Resolution 10 Excluded Party**). 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, provided the Chair is not a Resolution 10 Excluded Party, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**12. RESOLUTION 11 – ISSUE OF SHARES PURSUANT TO THE NON-EXECUTIVE DIRECTORS' SALARY SACRIFICE SHARE PLAN – MR ANDREW KENT**

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

*"That, subject to the passing of Resolution 7, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to that number of Shares, that is equal to \$100,000 divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue in lieu of Mr Andrew Kent's prospective salary to Mr Andrew Kent (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors and any nominee of Mr Andrew Kent (**Resolution 11 Excluded Party**). 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, provided the Chair is not a Resolution 11 Excluded Party, 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (c) the proxy is either:
  - (iii) a member of the Key Management Personnel; or
  - (iv) a Closely Related Party of such a member; and
- (d) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**13. RESOLUTION 12 – NON-EXECUTIVE DIRECTOR'S REMUNERATION**

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 13.8 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$265,000 per annum to \$300,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director or any of their associates. 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.

### **Voting Prohibition Statement**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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## **14. RESOLUTION 13 – RATIFICATION OF PRIOR ISSUE – 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 7.4 and for all other purposes, Shareholders ratify the issue of 20,000,000 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Claymore Capital Pty Limited or any associates of Claymore Capital Pty Limited. 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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## **15. RESOLUTION 14 – RATIFICATION OF PRIOR ISSUE – SHARES**

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 7.4 and for all other purposes, Shareholders ratify the issue of 7,861,545 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Nishil Khimasia or any associates of Mr Nishil Khimasia. 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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## **16. RESOLUTION 15 – RATIFICATION OF PRIOR ISSUE – 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 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by Mr Rhoderic Whyte or any associates of Mr Rhoderic Whyte. 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.

**Dated: 18 December 2017**

**By order of the Board**



**David Straface  
Company Secretary**

**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.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6263 9100.***

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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 September 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 annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.aspermont.com](http://www.aspermont.com).

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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

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.

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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.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ANDREW KENT**

### **3.1 General**

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Andrew Kent, was last re-elected on 30 November 2015, retires by rotation and seeks re-election.

### **3.2 Qualifications and other material directorships**

Mr Kent is an experienced business manager and corporate advisor with over 30 years of experience in international equities and media. Mr Kent was the CEO of Aspermont Limited from 2000 – 2005 and holds considerable knowledge of its products and the market landscape.

### **3.3 Independence**

If elected the board does not consider Mr Kent will be an independent director.

### **3.4 Board recommendation**

The Board supports the re-election of Mr Kent and recommends that Shareholders vote in favour of Resolution 2.

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## **4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR CHRISTIAN WEST**

### **4.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr West, having been appointed by other Directors on 24 May 2017 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **4.2 Qualifications and other material directorships**

Mr Christian West has over 16 years' experience in advising public companies on portfolio structure and in deal origination, development and financing for

private companies. Mr West has a successful track record investing in global equities, through public market, venture capital and private equity investment channels across media, technology and natural resource sectors.

Mr West is currently in a number of other directorship positions including Anglo African Minerals PLC, Resources Development Partners Limited, Aresa Investments Limited, 05012017 Limited, Coinworks Limited, Arakan Resources Limited, and RDP Singapore Limited.

#### **4.3 Independence**

Mr West has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the board considers Mr West will be an independent director.

#### **4.4 Board recommendation**

The Board supports the re-election of Mr West and recommends that Shareholders vote in favour of Resolution 3.

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### **5. RESOLUTION 4 – ELECTION OF DIRECTOR – MR CLAYTON WITTER**

#### **5.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Witter, having been appointed by other Directors on 24 May 2017 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

#### **5.2 Qualifications and other material directorships**

Mr Clayton Witter has over 20 years' experience advising large and medium size organisations on implementation of new technologies to transform business process across a number of sectors including FMCG (consumer goods), manufacturing, banking, information technology and electrical household appliances. Mr Witter was previously Managing Director at Beko Plc, the UK home appliance manufacturer where under his management, Beko became the market leader across multiple product categories.

Mr Witter is currently in a number of other directorship positions including Fanp (From a new Perspective) Limited, Decaj Fashion Ltd, and 45 Marlborough Hill Limited.

### 5.3 Independence

Mr Witter has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the board considers Mr Witter will be an independent director.

### 5.4 Board recommendation

The Board supports the re-election of Mr Witter and recommends that Shareholders vote in favour of Resolution 4.

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## 6. RESOLUTION 5 – ADOPTION OF PERFORMANCE RIGHTS PLAN

Resolution 5 seeks Shareholders approval for the adoption of the employee incentive scheme titled "Incentive Performance Rights Plan" (**Performance Rights Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

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.

If Resolution 5 is passed, the Company will be able to issue performance rights under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no performance rights have previously been issued under the Performance Rights Plan. However, pursuant to Resolution 6, the Company is seeking Shareholder approval to issue Related Party Performance Rights to a related party of the Company.

The objective of the Performance Rights Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Performance Rights Plan and the future issue of performance rights under the Performance Rights Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of performance rights under the Performance Rights Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Performance Rights Plan is set out in Schedule 1. In addition, a copy of the Performance Rights Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Performance Rights Plan can also be sent to Shareholders upon request to the Company Secretary.

Shareholders are invited to contact the Company if they have any queries or concerns.

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## 7. RESOLUTION 6 – ISSUE OF RELATED PARTY PERFORMANCE RIGHTS TO MR ALEX KENT

### 7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 27,000,000 performance rights (**Related Party Performance Rights**) to the Company's Managing Director (**MD**), Mr Alex Kent (or his nominee) on the terms and conditions set out in Schedule 2. The Related Party Performance Rights are to be issued under the Company's Performance Rights (**Plan**) (subject to Shareholder Approval of the Plan under Resolution 5).

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

The issue of Related Party Performance Rights constitutes giving a financial benefit and Mr Alex Kent is a related party of the Company by virtue of being a Director of the Company.

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.15B do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Related Party Performance Rights to Mr Alex Kent.

### 7.2 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of sections 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of Related Party Performance Rights to Mr Alex Kent.

- (a) Mr Alex Kent is a related party of the Company by virtue of being Director;
- (b) participation in the Performance Rights Plan is open to the parties detailed in paragraph (a) of Schedule 1, which includes Mr Kent;
- (c) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to Mr Kent is 27,000,000 Related Party Performance Rights, as set out in section 7.1 above;

- (d) the Related Party Performance Rights will be granted to Mr Kent no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date;
- (e) the Related Party Performance Rights will be granted for nil cash consideration, at an issue price of \$0.00767 per Performance Right, and no consideration will be payable upon the vesting of the Related Party Performance Rights on the achievement of the specified performance criteria. Accordingly, no loans will be made in relation to, and no funds will be raised from the issue or the vesting of the Related Party Performance Rights;
- (f) no securities have previously been issued under the Performance Rights Plan nor has the Performance Rights Plan previously been adopted by Shareholders;
- (g) the terms and conditions of the Related Party Performance Rights are set out in Schedule 2. The Shares to be issued upon vesting of the Related Party Performance Rights shall rank pari passu with existing Shares;
- (h) the value of the Related Party Performance Rights, being the financial benefit being given to the Related Parties, and the pricing methodology is set out in Schedule 3;
- (i) the Related Parties have a relevant interest at the date of this Notice of Meeting in the following securities;

Director	Shares	Options
Mr Alex Kent	259,749,245	258,245,641

**Notes:**

- 1. Comprising of 259,698,245 Shares held indirectly through Megahills Limited and 51,000 Shares held directly in Mr Kent's personal name.
- 2. Comprising 258,245,641 Options with an exercise price of \$0.03 and an expiry date of 30 September 2025 held indirectly through Megahills Limited.

- (j) the remuneration and emoluments from the Company to Mr Kent for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Director	FY 2017	FY 2018
Mr Alex Kent	\$473,329	\$358,830

- (k) if the vesting conditions attaching to the Related Party Performance Rights are satisfied and all Related Party Performance Rights vest and are exercised, a total of 27,000,000 Shares would be issued. This will increase the number of Shares on issue from 1,856,225,458 to 1,883,225,458 (assuming there are no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.45%;
- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below: and

Trading	Share Price	Date
Highest	\$0.012	13 October 2017
Lowest	\$0.006	26 June 2017
Last	\$0.010	15 December 2017

- (m) the primary purpose of the grant of Related Party Performance Rights to Mr Alex Kent is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of achieving specified vesting conditions within a specified period. The Board considers this issue to be a cost effective remuneration practice and reasonable given the vesting conditions will align the interests of Mr Kent with those of Shareholders. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Performance Rights upon the terms proposed;
- (n) Mr Geoff Donohue, Mr Christian West, Mr Clayton Witter and Mr Andrew Kent recommend that Shareholders vote in favour of Resolution 6 for the reasons set out in paragraph (m);
- (o) Mr Alex Kent declines to make a recommendation to Shareholders in relation to this Resolution 6 due to his material personal interest in the outcome of the Resolution;
- (p) in forming their recommendations, each Director considered the experience of Mr Alex Kent, the existing and proposed contribution of Mr Kent to the Company and the current market practices when determining the provision of the Loan upon the terms proposed; and
- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6.

## 8. RESOLUTION 7 – APPROVAL OF NON-EXECUTIVE DIRECTORS’ SALARY SACRIFICE SHARE PLAN

Resolution 7 seeks Shareholders approval for the adoption of the employee incentive scheme titled Non-Executive Directors’ Salary Sacrifice Share Plan (**Share Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

A summary of ASX Listing Rule 7.1 is outlined in section 6 above.

If Resolution 7 is passed, the Company will be able to issue Shares under the Share Plan to eligible participants over a period of 3 years without impacting on the Company’s ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Share Plan. However, pursuant to Resolutions 8, 9 and 10 the Company is seeking Shareholder approval to issue Shares under the Share Plan to related parties of the Company.

The objective of the Share Plan is to provide non-executive Directors with an opportunity to subscribe for Shares in lieu of their Directors’ fees for the forthcoming quarter and also to subscribe for Shares in lieu of any unpaid accrued Directors’ fees owing to the Director, thereby encouraging non-



executive Directors to invest in the Company and allow the Company to retain cash reserves.

Any future issues of Shares under the Share Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 8, 9 and 10 for the issue of Shares to certain Directors pursuant to the Share Plan.

A summary of the key terms and conditions of the Share Plan is set out in Schedule 4. In addition, a copy of the Share Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Share Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

## 9. RESOLUTIONS 8, 9, 10 AND 11 - ISSUE OF SHARES PURSUANT TO THE NON-EXECUTIVE DIRECTORS' SALARY SACRIFICE SHARE PLAN

### 9.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of \$415,000 worth of Shares (**Salary Sacrifice Shares**) to Mr Geoff Donohue, Mr Clayton Witter, Mr Christian West and Mr Andrew Kent calculated using the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding:

- (a) fifteen months prior to 31 December 2017 in the case of Mr Donohue's accrued salary to 31/12/2017; and
- (b) 90 days prior to their issue for the following 12 months' salaries (to be issued quarterly).

Each Director's sacrificed salary is highlighted in the table below. The Salary Sacrifice Shares are to be issued under the Company's Non-Executive Directors' Salary Sacrifice Share Plan (**Share Plan**) which is subject to Shareholder approval under Resolution 7.

Director	Accrued Salary to 31/12/2017 to be satisfied by issue of Shares	Following 12 Months' salary to be satisfied by issue of Shares
Mr Geoff Donohue	\$125,000	\$100,000
Mr Clayton Witter	Nil	\$45,000
Mr Christian West	Nil	\$45,000
Mr Andrew Kent	Nil	\$100,000

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Salary Sacrifice Shares will be issued under the Share Plan (subject to Shareholder approval of Resolution 7) but will not be issued in reliance of ASIC Class Order 14/1000 Employee incentive schemes: Listed bodies.

No disclosure document is required to be issued to the recipients of the Salary Sacrifice Shares as the offer is exempt under section 708(12) of the Corporations Act.

## 9.2 Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

The issue of the Salary Sacrifice Shares requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit and Messrs Donohue, Witter, West and Andrew Kent (together, the **Related Parties**) are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.15B do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of the Salary Sacrifice Shares to the Related Parties.

## 9.3 Technical information required by Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the Salary Sacrifice Shares:

- (a) the Related Parties are related parties of the Company by virtue of being Directors;
- (b) participation in the Share Plan is open to the parties detailed in paragraph (a) of Schedule 4, which includes each of Messrs Donohue, Witter, West and Andrew Kent;
- (c) the maximum number of Salary Sacrifice Shares (being the nature of the financial benefit being provided) to be granted to the Related Parties is as follows:
  - (i) such number of Salary Sacrifice Shares that is equal to \$125,000 salary divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on the ASX in the immediately preceding 15 months prior to 31 December 2017, to Mr Geoff Donohue in lieu of his accrued salary up until 31 December 2017;
  - (ii) such number of Salary Sacrifice Shares that is equal to \$100,000 salary divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue to Mr Geoff Donohue;

- (iii) such number of Salary Sacrifice Shares that is equal to \$45,000 salary divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue to Mr Clayton Witter;
  - (iv) such number of Salary Sacrifice Shares that is equal to \$45,000 salary divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue to Mr Christian West; and
  - (v) such number of Salary Sacrifice Shares that is equal to \$100,000 salary divided by the greater of \$0.01 per share or the volume weighted average price of Company Shares traded on ASX in the immediately preceding 90 days prior to their issue to Mr Andrew Kent;
- (d) the Salary Sacrifice Shares will be granted to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Salary Sacrifice Shares will be issued at the beginning of each quarter on the dates outlined in Schedule 4 other than the Salary Sacrifice Shares to be issued to Mr Donohue in lieu of his accrued salary which will be issued after the meeting subject to Shareholder Approval;
  - (e) the Salary Sacrifice Shares will be granted for nil cash consideration, at an issue price as detailed in Schedule 4 (e) below, and no consideration will be payable as they are being issued in lieu of Directors' salaries. Accordingly, no loans will be made in relation to, and no funds will be raised from the issue of Salary Sacrifice Shares;
  - (f) no securities have previously been issued under the Share Plan nor has the Share Plan previously been adopted by Shareholders;
  - (g) the terms and conditions of the Share Plan are set out in Schedule 4. The Shares to be issued shall rank pari passu with existing Shares;
  - (h) the value of the Salary Sacrifice Shares, being the financial benefit being given to the Related Parties, will be such number of Shares issued multiplied by the greater of \$0.01 or the volume weighted average price of Company Shares traded on ASX in the immediately preceding:
    - (i) fifteen months in the case of Mr Donohue's salary to 31 December 2017; or
    - (ii) 90 days prior to their issue.
  - (i) the Related Parties have a relevant interest at the date of this Notice of Meeting in the following securities;

Director	Shares	Options
Mr Geoff Donohue	20,000,000	Nil
Mr Clayton Witter	Nil	Nil
Mr Christian West	2,500,000	Nil

Director	Shares	Options
Mr Andrew Kent	566,780,087	Nil

- (j) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Director	FY 2017 <sup>1</sup>	FY 2018
Mr Geoff Donohue	\$100,000	\$100,000
Mr Clayton Witter <sup>2</sup>	\$15,000	\$45,000
Mr Christian West <sup>3</sup>	\$15,000	\$45,000
Mr Andrew Kent	\$250,000	\$100,000

1. Aspermont's FY2017 was a 15 month period from 1 July 2016 to 30 September 2017.
2. Mr. Witter was appointed to the board on 24 May 2017.
3. Mr. West was appointed to the board on 24 May 2017.

- (k) if all Salary Sacrifice Shares are issued (assuming a deemed issue price of \$0.01, the price of Shares on 15 December 2017), a total of 41,500,000 Shares would be issued. This will increase the number of Shares on issue from 1,856,225,458 to 1,897,725,458 (assuming there are no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.19% comprising 1.19% by Mr Donohue, 0.24% by Mr Witter, 0.24% by Mr West and 0.53% by Mr Andrew Kent;

- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below: and

Shareholder	Shares	Date
Highest	\$0.012	13 October 2017
Lowest	\$0.006	26 June 2017
Last	\$0.010	15 December 2017

- (m) the primary purpose of the grant of the Salary Sacrifice Shares to the Related Parties is to provide a performance linked incentive component in the remuneration package to motivate and reward the performance of the Company. The Board considers this issue to be a cost effective remuneration practice and reasonable given the issue of the Salary Sacrifice Shares will align the interests of Related Parties with those of Shareholders. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Salary Sacrifice Shares upon the terms proposed;
- (n) Mr Alex Kent recommends that Shareholders vote in favour of Resolutions 8 to 11 for the reasons set out in paragraph (m);
- (o) Mr Geoff Donohue declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 9 to 11 recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);

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- (p) Mr Clayton Witter declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8, 10 and 11 recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
  - (r) Mr Christian West declines to make a recommendation to Shareholders in relation to Resolution 10 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8, 9 and 11 recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
  - (q) Mr Andrew Kent declines to make a recommendation to Shareholders in relation to Resolution 11 due to his material personal interest in the outcome of the Resolution. However, in respect of Resolutions 8, 9 and 10 recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
  - (r) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 8 to 11.

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## 10. RESOLUTION 12 – NON-EXECUTIVE DIRECTORS' REMUNERATION

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 13.7 of the Constitution also requires that remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution and subsequently increase by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$265,000. Resolution 11 seeks Shareholder approval to increase this figure by \$35,000 to \$300,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders. No securities have been issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;

- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

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## **11. RESOLUTION 13 – RATIFICATION OF PRIOR ISSUE – OPTIONS**

### **11.1 General**

On 2 August 2017, the Company issued 20,000,000 Options in consideration for corporate advisory services provided by Claymore Capital Pty Ltd.

Resolution 13 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**First Ratification**).

A summary of ASX Listing Rule 7.1 is set out in section 6 above.

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

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **11.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the First Ratification:

- (a) 20,000,000 Options were issued;
- (b) the Options were issued for nil cash consideration and at a nil issue price, in satisfaction of corporate advisory services provided by Claymore Capital Pty Ltd;
- (c) the Options will be issued on the terms and conditions set out in Schedule 5;
- (d) the Options were issued to Claymore Capital Pty Ltd, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for corporate advisory services provided by Claymore Capital Pty Ltd.

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## 12. RESOLUTION 14– RATIFICATION OF PRIOR ISSUE – SHARES

### 12.1 General

On 27 September 2017, the Company issued 7,861,545 Shares to Mr Nishil Khimasia, the Company's Chief Financial Officer. As part of his salary agreement, Mr Khimasia was awarded a performance bonus which he elected to receive in Shares instead of a cash payment.

Resolution 14 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Second Ratification**).

A summary of ASX Listing Rule 7.1 is set out in section 6 above and a summary of ASX Listing Rule 7.4 is set out in section 11.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 12.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Second Ratification:

- (a) 7,861,545 Shares were issued;
- (b) the Shares were issued in lieu of a performance based cash payment and at an issue price of \$0.01 per share, for services performed by the Company's Chief Financial Officer;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Mr Nishil Khimasia, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in lieu of a performance based cash bonus payment.

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## 13. RESOLUTION 15 – RATIFICATION OF PRIOR ISSUE – OPTIONS

### 13.1 General

On 12 December 2017, the Company issued 10,000,000 Options in consideration for corporate advisory services provided by Mr Rod Whyte.

Resolution 15 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Third Ratification**).

A summary of ASX Listing Rule 7.1 is set out in section 6 above and a summary of ASX Listing Rule 7.4 is set out in section 11.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 13.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Third Ratification:

- (a) 10,000,000 Options were issued;
- (b) the Options were issued for nil cash consideration and at a nil issue price, in satisfaction of corporate advisory services provided by Mr Rod Whyte;
- (c) the Options will be issued on the terms and conditions set out in Schedule 6;
- (d) the Options were issued to Mr Rod Whyte, who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for corporate advisory services provided by Mr Rod Whyte.

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## GLOSSARY

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\$ means Australian dollars.

**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.

**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 Aspermont Limited (ACN 000 375 048).

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

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

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

**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.

**Non-Executive Directors Salary Sacrifice Share Plan** means the share plan to be adopted pursuant to Resolution 7, whereby non-executive directors' may sacrifice their salary for Shares in the Company.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share with the terms and conditions set out in Schedule 5 and 6.

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

**Performance Rights Plan** means the performance rights plan to be issued under Resolution 5.

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

**Related Party Performance Rights** means the performance rights to be issued to Mr Alex Kent pursuant to Resolution 6.

**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 September 2017.

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

**Salary Sacrifice Shares** means the Shares to be issued pursuant to Resolutions 8, 9 and 10 to non-executive directors' of the Company.

**Share Plan** means the Non-Executive Directors Salary Sacrifice Share Plan.

**Section** means a section of the Explanatory Statement.

**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 Perth, Western Australia.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

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- (a) **Eligibility:** Participants in the Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any associated body corporate of the Company (each a **Group Company**);
  - (ii) a full or part time employee of any Group Company;
  - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
  - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii) or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (Eligible Participants).**
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Performance Rights, upon the terms set out in the Performance Rights Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights issued under the Performance Rights Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights, being:
    - (A) a Relevant Person ceasing to be an Eligible Participant due to:

- (I) death or Total or Permanent Disability of a Relevant Person; or
    - (II) Retirement or Redundancy of a Relevant Person;
  - (B) a Relevant Person suffering Severe Financial Hardship;
  - (C) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
  - (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant; or
  - (ii) a Change of Control occurring; or
  - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse of a Performance right:** A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in the Performance Right;
  - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Performance Right in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
  - (iii) in respect of unvested Performance Rights only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
  - (iv) in respect of vested Performance Rights only, a relevant person ceases to be an Eligible Participant and the Performance Right granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
  - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
  - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Performance Right;
  - (vii) the expiry date of the Performance Right.

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- (h) **Shares:** Shares resulting from the exercise of the Performance Rights shall, subject to any Sale Restrictions (refer paragraph (i)) from the date of issue, rank on equal terms with all other Shares on issue.
  - (i) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights up to a maximum of seven (7) years from the grant date of the Performance Rights. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
  - (j) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
  - (k) **Change in exercise price of number of underlying securities:** Unless specified in the offer of the Performance Rights and subject to compliance with the ASX Listing Rules, a Performance Right does not confer the right to a change in exercise price or in the number of underlying Shares over which the Performance Right can be exercised.
  - (l) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
  - (m) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Performance Rights Plan to effect the establishment of such a trust and the appointment of such a trustee.

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## SCHEDULE 2 – TERMS OF PERFORMANCE RIGHTS

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### 1. Rights attaching to Performance Rights

- (a) **(Performance Rights):** Each Performance Right is a right to acquire a ASP Share.
- (b) **(General Meetings):** A Performance Right shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of ASP that are circulated to Shareholders. The Holder has the right to attend general meetings of Shareholders of ASP.
- (c) **(No Voting Rights):** A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of ASP.
- (d) **(No Dividend Rights):** A Performance Right does not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up):** The Holder is not entitled to participate in the surplus profits or assets of ASP upon the winding up of ASP.
- (f) **(Not Transferable):** A Performance Right is not transferable.
- (g) **(Reorganisation of Capital):** If at any time the issued capital of ASP is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX):** A Performance Right will not be quoted on ASX. However, upon conversion of the Performance Rights, ASP must within ten (10) days after the conversion, apply for the official quotation on ASX of the ASP Shares issued upon such conversion.
- (i) **(Participation in Entitlements and Bonus Issues):** The Holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of AS{ Shares such as bonus issues and entitlement issues.
- (j) **(Automatically Lapse):** The Performance Rights will automatically lapse if the Holder is no longer an employee or Director of the Company.
- (k) **(No Other Rights):** A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

### 2. Vesting Conditions of Performance Rights

- (a) **(Conversion on achievement of milestone)** Subject to paragraphs (b) to (d) below:
- (i) 50% of Performance Rights will vest if ASP's CAGR return on equity over a three (3) year period is in the top 50-75% of all companies in the S&P 300 Index (**Tranche 1 Performance Right**); and

- (ii) 50% of Performance Rights will vest if ASP's total shareholder return over a three (3) year period is in the same range as a Tranche 1 Performance Right (**Tranche 2 Performance Right**).

(each, a **Milestone**).

- (iii) Performance Rights will vest on a sliding scale, half of the Performance Rights will vest at the Milestone of 50% and a further 2% of Performance Rights will vest for each increase in 1% between 50 – 75% for both Tranche 1 and 2 Performance Rights.

- (b) (**Conversion**): Following vesting, Performance Rights Holders have a period of up to seven (7) years from the Performance Rights initial grant date to convert the Performance Right into ASP Shares. Any vested Performance Rights, not converted will automatically convert at the end of the 7 year period. (**Expiry Dates**): Each Milestone must be achieved on or before the dates set out below:

- (i) the Milestone applicable to the Tranche 1 Performance Rights (**Tranche 1 Milestone**) must be satisfied within 3 years of the Tranche 1 Performance Rights being issued to the Holders; and
- (ii) the Milestone applicable to the Tranche 2 Performance Rights (**Tranche 2 Milestone**) must be satisfied within 3 years of the Tranche 2 Performance Rights being issued to the Holders,

(each, an **Expiry Date**).

- (c) (**Compliance with law**) The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the ASX Listing Rules.
- (d) (**No Conversion if Milestone not Achieved**): Subject to paragraphs (b) (c) and (d), if the relevant Milestone is not achieved by the relevant Expiry Date, all Performance Rights held by each Holder the subject of that Milestone shall automatically lapse.
- (e) (**Conversion Procedure**): ASP will issue the Holder with a new holding statement for the ASP Shares as soon as practicable following the conversion of the Performance Rights.
- (f) (**Ranking of Shares**) The ASP Shares into which the Performance Rights will convert will rank pari passu in all respects with existing ASP Shares.

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**SCHEDULE 3 – VALUATION OF RELATED PARTY PERFORMANCE RIGHTS**

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The independent valuation of Related Party Performance Rights is attached below.

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Aspermont Limited  
Performance Rights

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3. Valuation Methodology ..... 4

4. Valuation ..... 6

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## Definition of Terms

The following definitions apply throughout this document unless the context requires otherwise:

Term	Definitions
AASB	Australian Accountings Standard Board. issuer of accounting standards under the Act
APES 224	Australian Professional Ethical Standard 225 - Valuation services
Act	Corporation Act, 2001
ASX	Australian Securities Exchange
Board or Directors	The Board of Directors of the Company
The Company	Aspermont Limited
Management or Directors	The directors and key management personnel of the Company
Performance Rights	Performance Rights issued by the Company
Moore Stephens (WA), us, we	Moore Stephens (WA) Pty Ltd
Valuation Date	15 December 2017

## 1. Introduction

### Terms of reference

In accordance with your instructions, we have performed a valuation of the Performances Rights as at 15 December 2017 ("Valuation Date"). We understand that you require the valuation for inclusion in a Notice of Meeting.

For the purposes of this report "fair value" is defined as:

*"The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction."*

### Nature of the assignment

This valuation engagement has been undertaken in accordance with APES 225 – *Valuation Services*.

This valuation has been undertaken by Peter Gray, a director of the Corporate Advisory Division of Moore Stephens (WA) Pty Ltd, acting independently. Peter Gray has extensive experience in providing valuations of businesses, shares and other equities.

The fee to be paid to Moore Stephens (WA) Pty Ltd for this valuation assignment is not contingent on the conclusion, content or future use of this valuation report.

### Use of report

Our report is prepared solely for the confidential use of the Company, and solely for transaction purposes of the Company. The valuation provided and this report should not be relied on by any other party or for any other purpose.

### Disclaimer

The statements and opinions given in this report are given in good faith and in the belief, that such statements and opinions are not false or misleading. In preparing this report we have relied upon information supplied by the Company, which we believe to be accurate and reliable.

We have not, in preparing this report, independently verified the correctness, existence or value of any item, which is, or should be, in such information. We do not have any reason to believe that any material facts have been withheld from us, nor do we warrant that our investigation has revealed all of the matters which an audit or more extensive examination might disclose.

Although the report and opinions expressed herein are based on information supplied to us, we believe the report and opinions to be accurate. However, for the above reasons, we do not warrant the accuracy or reliability of either the information supplied to us or the conclusion drawn there from.

## 2. Scope of Valuation

### Background

We understand that the Company intends to grant two equal tranches of Performance Rights, as follows

- Tranche 1 – vesting based on Aspermont compound annual growth rate of Return on Equity over a 3 year period being in the 50% – 75% range of all companies in the S&P/ASX 300 Index.
- Tranche 2 – vesting based on Aspermont’s Total Shareholder Return (TSR) over a 3 year period.

All Performance Rights will expire after seven years.

We are only required to value the Tranche 2 Performance Rights.

### Tranche 2 Performance Rights:

The Tranche 2 Performance Rights have the following terms:

- A 3 year performance period.
- The performance criteria is as follows:
  - If Aspermont’s TSR is in the 50<sup>th</sup> percentile of the TSR of the S&P/ASX 300 Index, 50% of the Tranche 2 Performance Rights will vest.
  - For each 1 percentile increase in Aspermont’s TSR measured against the S&P/ASX 300 Index, 2% of the Tranche 2 Performance Rights will vest.
  - If Aspermont’s TSR is in the 75<sup>th</sup> percentile or higher, 100% of the Tranche 2 Performance Rights will vest.
- The life of the Performance Rights is seven years.
- Vested Performance Rights can be settled by shares or cash (less appropriate taxes).

### Scope of Valuation

The scope of the work performed in assessing the fair value of the Performance Rights has consisted of:

- An assessment of the fair value of the Performance Rights based on the above terms;
- A review of the historical volatility and correlations of the share price of companies in the S&P/ASX 300; and
- Discussions with directors and management.

### 3. Valuation Methodology

#### Consideration of AASB 2

AASB 2 specifies the financial reporting requirements by an entity when it undertakes a share based payment transaction. In particular, it sets out the approach which the entity must follow in reporting in its profit and loss account any impact of any share based payment transaction.

For the purposes of AASB 2, a share based payment transaction is defined as a transaction in which an entity:

- (i) receives goods or services from the supplier of those goods and services (including an employee) in a share based payment arrangement; or
- (ii) incurs an obligation to settle the transaction with the supplier in a share based payment arrangement when another group entity receives those goods and services.

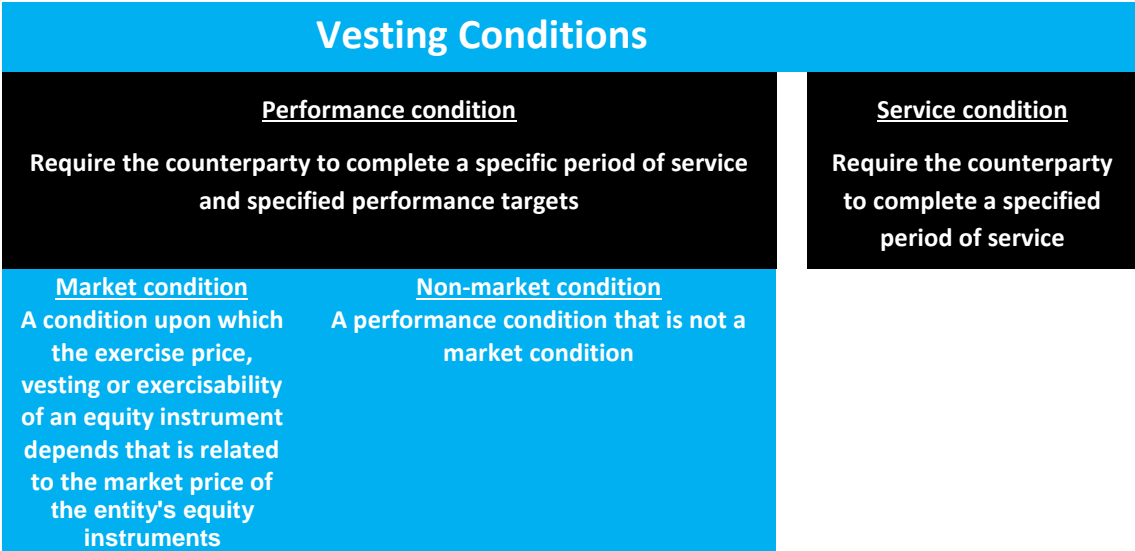
Further, a share based payment arrangement is defined as:

- An agreement between an entity and another party (including an employee) that entitles the other party to receive:*
- (i) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity; or
  - (ii) equity instruments (including shares or share options) of the entity or another group entity, provided the specified vesting conditions are met.

AASB 2 prescribes that vesting conditions are either 'service' conditions or 'performance' conditions and that performance conditions are further defined as 'market' conditions or 'non-market' conditions.

The features of each type of vesting condition, as set out in AASB 2, are summarised in the figure below.

Figure 1 AASB 2 vesting conditions definitions:



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#### Determining the fair value of equity instruments granted

AASB 2 states that an entity shall measure the fair value of instruments granted as at the measurement (grant) date, based on market prices, if available, taking into account the terms and conditions upon which the instruments were granted.

Where market prices are not available, the entity must estimate the value of the instrument based upon a valuation technique to estimate the price the equity instruments would have been at the measurement date. The valuation technique should be consistent with generally accepted valuation methodologies and shall incorporate all factors and assumptions that a knowledgeable willing market participant would consider in setting the price.

#### Black Scholes Calculation

The Black-Scholes model is a formula used to price European Options (assumes they are held to exploration) and related custom derivatives. The Black-Scholes model makes an assumption that the market contains one asset that holds risk (the stock) and one riskless asset (usually the relevant government bond rate). In which the investor has the ability to invest in the risk-free rate and gain a return with zero risk.

The model recognizes that the option price is a function of the volatility of stocks price (the higher the volatility the higher the premium on the option). Black Scholes treats a call option as a forward contract to deliver at a contractual price (the strike price).

The option value will reduce as a result of time decay, with the value of the option reducing as the option approaches expiration.

The Black Scholes model is function of a number of inputs that include the current stock price, time to expiration, option strike price, risk-free rate, volatility and time to expiry/vesting. From which a current value (the premium) is derived.

#### Binomial Calculation

The Binomial model is particularly useful for valuing Options that can exercise at any given time within the option life. The model uses a binomial lattice (tree), for a number of steps of time between valuation and expiration. Each node within the lattice represents a possible price of the underlying asset at any given point of time.

The binomial model assumes that the underlying security price can only increase or decrease with time until the option expires worthless. The changes in the price are annotated by the u% (an uptick) and d% (downtick). These ticks can be a function of volatility over the selected timeframe, with each tick step determine the sequential price changes at each node.

The model uses a risk-free rate in the same context as defined in the Black-Scholes Model above.

#### Selected valuation methodology

We have adopted a valuation model prepared by Peter Hoadley. The model combines trinomial and monte carlo methodologies and utilises the correlations, betas and volatilities of Aspermont, the S&P/ASX 300 Index and its constituents.

## 4. Valuation summary

Based on the methodology and assumptions set out in Section 3 of this report, we summarise below our assessment of the indicative fair value of the Performance Rights as at the Valuation Date in the table below.

Assumptions	Tranche 2
Valuation date	15 December 2017
Spot price	\$0.01
Exercise price	nil
Issue date	15 December 2017
Vesting period	3 years from issue
Expiry date	7 years from issue
Expected future volatility	85.2%
Risk free rate	2.05%
Dividend yield	N/A
<b>Valuation</b>	<b>\$0.00767</b>

### General

If you have any queries or would like further information please do not hesitate to contact the writer.

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## SCHEDULE 4 – NON-EXECUTIVE DIRECTORS SALARY SACRIFICE PLAN

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(a) **Issue of Shares**

The Board may, from time to time, at its absolute discretion and only where an Eligible Participant continues to satisfy any relevant conditions imposed by the Board (which may include without limitation that an Eligible Participant continues to be a Director of the Company at the relevant time) offer, subject to Shareholder approval, to Eligible Participants to subscribe for Shares in lieu of Directors' fees owing by the Company to the Eligible Participant and upon such additional terms and conditions as the Board determines (**Offer**).

The Director can choose to accept the Share offer in lieu of fees by sending a notice in writing to the Company Secretary at the beginning of each quarter (January, April, July or October) for payment of fees from the previous quarter and any other outstanding Directors' fees. The Shares will be issued at the end of each quarter.

(b) **Eligible Participant**

Means a non-executive director of the Company or any Subsidiary.

(c) **Date of Issue of Shares**

The Company will issue Shares under the Share Plan on a quarterly basis, being 31 March, 30 June, 30 September and 31 December each year.

(d) **Shareholder Approval**

All Shares issued pursuant to the Share Plan will be subject to prior Shareholder approval under the Listing Rules and the Corporations Act (if required). The Company will seek Shareholder approval for the issue of a maximum amount of Shares to a particular Director(s) for a period of up to 36 months and such Shares will be issued on a quarterly basis.

(e) **Deemed issue price of Shares**

The Shares issued pursuant to the Share Plan will be issued for nil cash consideration as they will be issued in satisfaction of Directors' fees owing by the Company to the Participant. The Shares will be deemed to have an issue price as determined by the Board at the time of issue of the Shares but such deemed issue price will be no less than \$0.01 per share or the volume weighted average sale price of Shares sold on ASX during the 90 days prior to the expiration of the relevant Quarter.

(f) **Satisfaction of Director Fees owing**

The issue of Shares under the Share Plan will be deemed to have satisfied the relevant Director fees owing by the Company to the Participant.

(g) **Share ranking**

All Shares allotted under the Share Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their allotment.

All Shares allotted under the Plan will rank equally in all respects with the Shares of the same class and have no restrictions on their transfer.

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## SCHEDULE 5 – OPTION TERMS RESOLUTION 13

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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 (i), the amount payable upon exercise of 10,000,000 of the 20,000,000 Options will be \$0.01 and the amount payable on the other 10,000,000 of the 20,000,000 Options will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 July 2020 (**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 Exercise Date, the Company will:

- (i) issue the number of Shares (i) 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 (g)(ii) 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) **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.

(j) **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.

(k) **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.

(l) **Transferability**

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

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## SCHEDULE 6 – OPTION TERMS RESOLUTION 15

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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 (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 12 December 2022 (**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 Exercise Date, the Company will:

- (i) 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 (g)(g)(ii) 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) **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.

(j) **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.

(k) **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.

(l) **Transferability**

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

## PROXY FORM

ASPERMONT LIMITED  
ACN 000 375 048

### ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:**  the Chair of the Meeting as my/our proxy.

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 Meeting to be held at 4:00 pm (WST) / 7:00 pm (AEDST) / 8:00 am (GMT), on Thursday 1 February 2018 at Aspermont Limited Boardroom, 613-619 Wellington Street, Perth, WESTERN AUSTRALIA; and Aspermont Media Limited, Conference Room, WeWork Aldgate Tower, 2 Leman Street, London, UNITED KINGDOM, 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 Resolutions 1,5,6,7,8,9,10,11 and 12 (except where I/we have indicated a different voting intention below) even though Resolutions 1,5,6,7,8,9,10,11 and 12 are 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 Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Andrew Kent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Mr Christian West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Director – Mr Clayton Witter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Adoption of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Related Party Performance Rights – Mr Alex Kent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Adoption of Non-Executive Directors' Salary Sacrifice Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Shares to Related Party – Mr Geoff Donohue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Shares to Related Party – Mr Clayton Witter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Issue of Shares to Related Party – Mr Christian West	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Issue of Shares to Related Party – Mr Andrew Kent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Non-Executive Director's Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Ratification of prior issue – Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Ratification of prior issue – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Ratification of prior issue – Options	<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 ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

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

YES  NO

For personal use only



## Instructions for completing 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) post to Aspermont Limited, PO Box 78 Leederville, Western Australia 6902; or
  - (b) facsimile to the Company on facsimile number +61 8 6263 9148; or
  - (c) email to the Company at [company.secretary@aspermont.com](mailto:company.secretary@aspermont.com) ,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.**