



21 August 2018

Dear shareholders,

I am pleased to attach a Notice of Meeting seeking your approval to delist Updater from the Australian Securities Exchange to continue our successful high growth strategy as a private US company.

Updater's experience as an ASX listed entity has been an outstanding success and we've emerged as a market leader in relocation technology (ReloTech) in the United States. In fact, Updater's market position has resulted in significant interest from major international (non-Australian) financial investors and strategic parties. Numerous such parties have indicated interest in investing in Updater to accelerate growth if and when the Company becomes a private company not listed on the ASX, making delisting a logical next step towards achieving the Company's vision.

It is the Board's view that it is in the best interests of Updater security holders that the Company delist from the ASX at this time and begin the path towards the US financial markets.

We welcome all security holders to maintain their equity position in Updater and participate in the potential future upside and growth of the business. In addition, shareholders will be asked to approve a proposed off-market buy-back which will enable those shareholders that elect not to remain to sell some (or in the case of holders with a small holding, all) of their shareholding.

Thank you for your continued support,

A handwritten signature in black ink, appearing to read "David Greenberg".

David Greenberg  
Founder and CEO  
Updater Inc.

**ASX Announcement  
(ASX: UPD)  
21 August 2018**

## NOTICE OF SPECIAL MEETING

Updater Inc. (ASX: UPD) (“Updater” or the “Company”) has today dispatched the attached Notice of Special Meeting and Proxy Statement to all shareholders of the Company (both holders of common stock and CDIs). A sample CDI Voting Instruction Form has been filed with this Notice of Special Meeting.

**For more information, please contact:**

Investor Relations:  
Simon Hinsley  
simon@updater.com  
+61 401 809 653

Updater Shareholder Information Line  
Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia)

Media Relations:  
Tony Gray  
tony@tonygray.org  
+61 418 530 378

**About Updater:**

Updater, the US leader in ReloTech™, makes moving easier for the millions of American households that relocate every year. With Updater, Users seamlessly update accounts and records, schedule TV/Internet, reserve a moving company, forward mail, and much more. Hundreds of the most prominent real estate companies in the US (from real estate brokerages to property management companies) rely on Updater to help their clients transition to their new home with a branded and personalised moving experience. With significant market penetration of all US household moves, Updater enables contextual and personalised communication between relocating consumers and the US businesses spending billions of dollars trying to reach them.

For more information, please visit [www.updater.com](http://www.updater.com)

# NOTICE OF SPECIAL MEETING and PROXY STATEMENT

The Special Meeting of Shareholders of Updater Inc. (“Updater” or the “Company”) to be held at 19 Union Square West, 12<sup>th</sup> Floor, New York City, New York, United States of America on Thursday, 6 September 2018 at 8:00pm US Eastern Standard Time (Friday, 7 September 2018 at 10:00am Australian Eastern Standard Time)

Updater Shareholder Information Line  
Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (from outside Australia)

This Notice of Special Meeting and Proxy Statement should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or professional adviser without delay.

This Notice of Special Meeting and Proxy Statement is dated **21 August 2018**.

NOTICE OF  
SPECIAL MEETING OF SHAREHOLDERS

**To be held on**

6 September 2018 **(U.S.)**

7 September 2018 **(Australia)**

The Special Meeting (the "Special Meeting") of Shareholders of Updater Inc. ("Updater" or the "Company") will be held at 19 Union Square West, 12<sup>th</sup> Floor, New York City, New York, United States of America on Thursday, 6 September 2018 at 8:00pm US Eastern Standard Time (Friday, 7 September 2018 at 10:00am Australian Eastern Standard Time) for the following purposes:

1. Approval of delisting of the Company from ASX

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

"That, for the purposes of ASX Listing Rule 17.11 and for all other purposes, subject to resolution in Item 2 being passed, the Company be removed from the official list of ASX on 10 October 2018 (or such later date as is agreed with ASX) and that the Directors of the Company be authorised to do all things reasonably necessary to give effect to the delisting of the Company from ASX".

2. Approval of off-market buy-back

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

"That, for the purposes of the Delaware General Corporation Law (the "DGCL") including Section 144 thereof, subject to the resolution in Item 1 being passed, the shareholders of the Company authorise and approve an off-market buy-back of up to a total of A\$10 million worth of the Company's issued shares of common stock or CHESS Depository Interests at a buy-back price being the higher of (a) A\$1.25 per CDI (A\$31.25 per Share), equal to the highest price at which Updater has raised capital on the ASX and (b) the 20-day volume weighted average price of the CDIs on the date of delisting (or 25 times that price per Share of common stock), on the terms described in the Explanatory Statement which accompanies this Notice of Meeting."

Board recommendations

The Board of Directors recommends that our Shareholders vote "FOR" Items 1 and 2.

Resolutions are inter-conditional

The resolutions in Item 1 and Item 2 are inter-conditional. This means that if either the resolution in Item 1 or Item 2 are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed.

Record Date and Voting Rights

Shareholders may vote at the Special Meeting if they were a Shareholder of record, hold CHES Depositary Interests ("CDIs"), or are a beneficial owner of Securities held in Street Name (as defined below) at 10.00am on at 21 August 2018 Australian Eastern Standard Time (the "Record Date"). Section 2.05 and 2.11 of the Company's Bylaws provide that the Record Date must be at least ten (10) days prior to the Special Meeting.

Holders of CDIs at the close of business on the Record Date are entitled to receive notice of the Special Meeting and to attend the Special Meeting or any adjournment or postponement of the Special Meeting. Holders of CDIs may also instruct the CDI depositary, CHES Depositary Nominees Pty Ltd ("CDN"), to vote the Shares underlying their CDIs by following the instructions on the CDI Voting Instruction Form or by voting online at [www.investorvote.com.au](http://www.investorvote.com.au). CDN will vote the applicable Shares on behalf of each applicable CDI holder at the Special Meeting in accordance with the instructions received via the CDI Voting Instruction Form or online from each of the applicable CDI holders.

Any Shareholder may request access to the list of Shareholders of Record entitled to vote at the Special Meeting upon request to the Company's ASX Representative.

The Proxy Statement that accompanies and forms part of this Notice of Special Meeting provides information in relation to each of the matters to be considered. This Notice of Special Meeting and the Proxy Statement should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their legal counsel, accountant, solicitor, or other professional advisor prior to voting.

Dated 21 August 2018.

By Order of the Board

David Greenberg  
Founder and CEO

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF  
PROXY MATERIALS FOR THE SPECIAL MEETING OF SHAREHOLDERS:

This Notice of Special Meeting and Proxy Statement are available at [www.updater.com](http://www.updater.com)

**Proxy Statement**

**SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON 6 September 2018 (US) 7 September 2018 (AUSTRALIA)**

The Board of Directors of Updater Inc. (the “Company”) is soliciting proxies for use at the Special Meeting of Shareholders (the “Special Meeting”) to be held at 19 Union Square West, 12<sup>th</sup> Floor, New York City, New York, United States of America on 6 September 2018 at 8:00pm US Eastern Standard Time (7 September 2018 at 10:00am Australia Eastern Standard Time) and at any adjournment or postponement of the meeting. We expect to mail this proxy statement (this “Proxy Statement”) and the accompanying Notice of the Special Meeting (the “Notice of Special Meeting”) to Shareholders on or about 21 August 2018.

QUESTIONS AND ANSWERS

***What is the purpose of the Special Meeting?***

At the Special Meeting, the Shareholders are invited to act upon the items and proposals outlined in the Notice of Special Meeting. The matters outlined in the Notice of Special Meeting include:

- The approval of delisting of the Company from ASX (“Item 1”); and
- The approval of an off-market buy-back (“Item 2”).

***Why is the Company seeking to Delist?***

Updater’s market position has resulted in significant interest from major international (non-Australian) financial investors and strategic parties that have expressed strong interest in purchasing stock directly from Updater as a private company not listed on ASX. Therefore, delisting is a logical next step towards achieving the Company’s vision. It is the Board’s view that it is in the best interests of all Updater Security holders that the Company delist from the ASX at this time and begin the path towards the US financial markets (see section 1 of the explanatory statement for further information).

***Who is entitled to vote at the Special Meeting?***

Only those Shareholders of record, or beneficial owners of Securities held in Street Name (as defined below), on 21 August 2018 at 10.00am Australian Eastern Standard Time, (20 August 2018 at 8.00pm U.S. Eastern Standard Time) (the “Record Date”), will be entitled to vote at the meeting and any adjournment or postponement thereof.

There are currently 21,826,964 Shares of common stock outstanding (equivalent to 545,674,100 CDIs), all of which are entitled to vote with respect to the items to be acted upon at the Special Meeting, subject to

applicable voting exclusions. Therefore, there is a total of 21,826,964 votes entitled to be cast at the Special Meeting.

Each Share of common stock is entitled to one vote per Share. Each CDI represents 1/25 of a Share of common stock.

Votes for, against and abstentions will all be counted as present and entitled to vote for purposes of determining whether a quorum is present.

***Will any Shareholders be excluded from voting on any of the items?***

*The Directors will not be voting their Securities (and Securities held by associated entities) on Item 1 and item 2 to be considered at the Special Meeting.*

In accordance with ASX Listing Rule 14.11, ASX has also determined that the following persons' votes shall be excluded from Item 1 to approve the Delisting:

- Related Parties of the Company (including each of the Directors); and
- Associates of the Related Parties.

This means that votes of the following persons (in addition to any other Related Parties of the Company or their Associates) shall be excluded from Item 1 to approve the Delisting:

- David Greenberg;
- Ryan Hubbard;
- Grant Schaffer;
- SCE Superannuation Pty Ltd;
- Schaffer Nominees Pty Ltd;
- Anthony Catalano;
- Kirrant Investments Unit Trust;
- Jessica Nagle; and
- Greenberg Family Trusts.

All Shareholders as of the Record Date will be entitled to vote on Item 2 to approve the Buy-Back.

***How many Shares must be present for voting to hold the meeting?***

Pursuant to Section 2.06 of the Company's Bylaws, the holders of a majority of the Shares issued and outstanding and entitled to vote at the Special Meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business. Shares are counted as present at the Special Meeting if:

- The Shareholder of record on the Record Date is present in person at the Special Meeting;
- The Shareholder of record on the Record Date, or the applicable beneficial owner, has properly submitted a proxy in a timely fashion as described in the Notice of Special Meeting.

Abstentions and shares represented by "broker non-votes" are counted for the purpose of determining the presence of a quorum.

**What is a proxy?**

If you designate another person or entity to vote Shares that you own, such other person or entity is referred to as your proxy. If you designate someone as your proxy in a written document, that document is also called a proxy or a proxy card. When you designate a proxy, you may also direct the proxy how to vote your Shares. This is referred to as your “proxy vote”.

**What is the difference between a Shareholder of record and a “Street Name” holder?**

If you own Shares registered directly in your name with the Company’s U.S. share registrar, Computershare, you are considered the Shareholder of record with respect to those Shares. As a Shareholder of record, you have the right to grant your voting proxy directly to the Company or to vote in person at the Special Meeting.

If your Shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the Shareholder of record with respect to those Shares, while you are considered the beneficial owner of those Shares and your Shares are held in street name (“Street Name”). Street Name holders generally cannot vote their Shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their Shares using the method described in the notice that such broker, bank, trust or other nominee sends to the Street Name holders. Since a Street Name holder is not the Shareholder of record, the Street Name holder may not vote their Shares in person at the Special Meeting unless such holder obtains a “legal proxy” from their applicable broker, bank, trustee, or nominee giving such holder the right to vote the Shares at the meeting.

CDN is the Shareholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of the Special Meeting and attend the Special Meeting and may direct CDN to vote at the Special Meeting by using the method described in the CDI Voting Instruction Form.

**What does it mean if I receive more than one printed set of proxy materials?**

If you receive more than one printed set of proxy materials, it means that you hold Securities registered in more than one account. To ensure that all of your Shares are voted, please submit proxies or voting instructions for all of your Securities.

**Can I vote my Securities in person at the meeting?**

Please Note: *You may only vote your Shares in person at the meeting by completing a ballot at the meeting if you own common stock and are a Shareholder of record on the Record Date. CDI Holders can attend the meeting, however they are unable to vote in person at the meeting.*

Even if you currently plan to attend the meeting and vote your Shares at the meeting, the Company recommends that you submit a proxy so that your vote will be counted if you later decide not to attend the meeting. If you submit your vote by proxy and later decide to vote in person at the Special Meeting, the vote you submit at the Special Meeting will override your proxy vote.

If you are a Street Name holder of common stock, you may vote your Shares in person at the meeting only if you obtain and bring to the meeting a signed letter or other form of proxy from your broker, bank, trust or other nominee giving you the right to vote the Shares at the meeting.

**How do I vote my Shares of common stock?**

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Shareholders are entitled to vote if they are a Shareholder on the Record Date regardless of whether they attend the Special Meeting.

At the Special Meeting, every holder of common stock present in person or by proxy, is entitled to one vote for each Share of common stock held on the Record Date on all matters submitted to a vote of the Shareholders.

If you are a Shareholder of record, you can vote in any of the following ways:

**Proxy Forms (US Common Stock – no online voting available)**

*By mail*            **Computershare Investor Services**  
**PO Box 30202**  
**College Station, TX 77842-9009**

*By phone*            **Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone. Follow the instructions provided by the recorded message.**

**In person at the Special Meeting**

***How do I vote if I hold CDIs?***

**Important:** If you are a *CDI holder*, you must take one of the following actions in order to vote at the Special Meeting:

- a) Instructing CHESD Depository Nominees Pty Ltd. (“CDN”), as the Shareholder of record, to vote the Shares underlying your CDIs pursuant to your instructions in the CDI Voting Instruction Form provided to Computershare or via the Internet option set forth below.
- b) Converting your CDIs into Shares of common stock and voting such Shares at the meeting in person or by proxy.

**Note:** In order to vote as a common stock holder in person at the meeting, such conversion to common stock must be completed prior to the Record Date. CDI holders should contact the Share Registry for information regarding the conversion process. If CDI holders convert their holding to common stock prior to the Record Date, then they may follow the instructions above for voting as a common stock holder.

- c) Informing the Company that you wish to nominate yourself or another person to be appointed as CDN’s proxy with respect to the Shares underlying your CDIs for the purposes of attending and voting at the Special Meeting by completing Step 2 in the enclosed CDI Voting Instruction Form.

Each CDI represents 1/25 of a Share. Therefore, each CDI Holder will be entitled to one vote for every 25 CDIs that they hold.

CDI Voting Instruction Forms (Australian Register)

*Online*            **At [www.investorvote.com.au](http://www.investorvote.com.au)**

*By mail*            **Share Registry – Computershare Investor Services Pty Limited, GPO Box 242,  
Melbourne Victoria 3001, Australia**

*By fax*            **1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)**

*By mobile*        **Scan the QR Code on your CDI Voting Instruction Form or proxy form and follow  
the prompts**

*Custodian-*        **For Intermediary Online subscribers only (custodians)**

*Voting*            **please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions**

**How do I vote if I am a Street Name holder?**

If you hold your Securities in Street Name (as defined in the Proxy Statement), you must vote your Securities in the manner set forth by your broker, bank, trust or other nominee, which is similar to the voting procedures for Shareholders of record or CDI holders. You will receive a voting instruction form (not a proxy card) to use in directing your applicable broker, bank, trust or other nominee how to vote your Securities.

**Voting Mechanics**

*Proxy cards*

Valid, signed and dated proxy cards must be received by Computershare US no later than 10.00am on Wednesday, 5 September 2018, Australian Eastern Standard Time, (Tuesday, 4 September 2018 at 10.00pm U.S. Eastern Standard Time).

*CDI Voting Instruction Forms*

Completed CDI Voting Instruction Forms must be provided to Computershare no later than 10.00am on Monday, 3 September 2018, Australian Eastern Standard Time (Sunday, 2 September 2018 at 8.00pm U.S. Eastern Standard Time), in accordance with the instructions on that form. The CDI voting deadline is two business days prior to the date that Proxy Cards are due so that CDN may vote the Shares underlying the applicable CDIs.

To vote via the Internet at [www.investorvote.com.au](http://www.investorvote.com.au), Shareholders must use a control number that is provided in the materials with this Notice of Special Meeting and follow the additional steps when prompted. The steps have been designed to authenticate your identity, allow you to give voting instructions, and confirm

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that those instructions have been recorded properly. Votes must be cast by 10.00am on Monday, 3 September 2018, Australian Eastern Standard Time (Sunday, 2 September 2018 at 8.00pm U.S. Eastern Standard Time).

*In person*

You must arrive at 19 Union Square West, 12<sup>th</sup> Floor, New York City, New York, United States of America on 6 September 2018 no later than 8.00pm U.S. Eastern Standard Time (7 September 2018 at 10.00am Australian Eastern Standard Time) in order to vote in person. All Shareholders as of the Record Date are invited to attend the Special Meeting. You may be asked to present valid photo identification, such as a driver's license or passport, before being admitted to the meeting. If you hold your Shares in Street Name or you are a CDI holder, you may also be asked to present proof of ownership to be admitted to the meeting. A brokerage or holding statement or letter from your broker, bank, trust or other nominee are examples of proof of ownership.

***What is the voting requirement to approve each of the items set forth in the Notice of Meeting?***

Section 2.07 of the Company's Bylaws provide that when a quorum is present at any meeting of the Shareholders, the vote of the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy shall decide any question brought before such meeting, unless applicable laws or rules require another threshold.

*The vote required to approve each Item is set forth below.*

***Item 1 — Approval of delisting of the Company from ASX***

This resolution must be passed by the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy, subject to the resolution in Item 2 being passed.

You may vote "FOR", "AGAINST" or "ABSTAIN" on the approval for the delisting.

Abstentions are considered Shares present and entitled to vote for purposes of determining quorum, and will be treated as an "AGAINST" vote.

The Company will disregard any votes cast in favour of Item 1 by or on behalf of:

- a Related Party of the Company; or
- an associate of a Related Party of the Company.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

***Item 2 — Approval of off-market buy-back***

This resolution must be passed by the holders of a majority of the Shares entitled to vote on the subject matter and present in person or represented by proxy, subject to the resolution in item 1 being passed.

You may vote "FOR", "AGAINST" or "ABSTAIN" on the approval for the off-market buy-back.

Abstentions are considered Shares present and entitled to vote for purposes of determining quorum, and will be treated as an "AGAINST" vote.

***Please Note:** If you are not entitled to vote in person at the meeting and you do not submit your proxy or voting instructions to your broker, a "non-vote" occurs and your Shares will not be counted for the purpose of establishing a quorum and will have no effect on the outcome of any of the three items.*

***What happens if either the resolution in Item 1 or the resolution in Item 2 are not approved?***

The resolutions in Item 1 and Item 2 are inter-conditional. This means that if either the resolution in Item 1 or Item 2 are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed and unless a subsequent proposed delisting is approved by Shareholders or ASX determines that the Company's securities should no longer be listed, the Company will continue to be listed on the ASX.

***How do I change my vote or revoke my proxy?***

If you are a Shareholder of record, you may change your vote or revoke your proxy by:

- filing a written statement to that effect with our ASX Representative at or before the taking of the vote at the Special Meeting;
- voting again via the Internet Option at a later time but before the closing of voting;
- submitting a properly signed proxy card with a later date that is received prior to the close of voting; or,
- attending the Special Meeting, revoking your proxy, and voting in person.

The written statement to the ASX Representative should be delivered to Company Matters Level 12, 680 George Street, Sydney NSW 2000 (PO Box 20547, World Square NSW 2002) Attention: Emma Lawler, or hand delivered to such address, before the taking of the vote at the Special Meeting.

If you are a beneficial owner and hold shares through a broker, bank, or other nominee, you may submit new voting instructions by contacting your broker, bank, or other nominee. You may also change your vote or revoke your voting instructions in person at the Special Meeting if you obtain a signed proxy from the record holder (broker, bank, or other nominee) giving you the right to vote the shares.

If you are a holder of CDIs and you direct CDN to vote by completing the CDI Voting Instruction Form, you may revoke those directions by delivering to Computershare, no later than Sunday, 2 September 2018 no later than 8.00pm U.S. Eastern Standard Time (Monday, 3 September 2018 at 10.00am Australian Eastern Standard Time), a written notice of revocation bearing a later date than the CDI Voting Instruction Form previously sent.

***Who pays for the cost of proxy preparation and solicitation?***

The Company pays for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks, trusts or other nominees for forwarding proxy materials to Street Name holders and CDI holders. The Company is soliciting proxies by mail. In addition, the Directors, officers and regular employees of the Company may solicit proxies personally, telephonically, electronically or by other

means of communication. The Company's Directors, officers and regular employees will receive no additional compensation for their services other than their regular compensation.

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## OVERVIEW OF THE PROPOSALS

The Company is putting forward proposals to Shareholders at the Special Meeting for the Delisting of the Company and Buy-Back which, if both passed, will result in the outcomes set out below. This Notice of Meeting and Proxy Statement, the accompanying letter to CDI holders or Shareholders, as applicable, and the Buy-Back Booklet, which will be dispatched to Eligible Security holders on or around 24 August 2018, provide information for Security holders to assist in making a decision as to whether to vote in favour of the resolutions at the Special Meeting and/or participate in the Buy-Back. In addition, further information about Updater including its ASX announcements are available at [www.updater.com](http://www.updater.com).

Outcome if resolutions are passed	Further information?
<b>Delisting</b> – Updater will delist from ASX in accordance with the timetable below and become an unlisted, private Delaware company. In this event, all remaining CDIs will be converted into shares of common stock (25 CDIs will be converted to 1 Share of common stock)	Section 1 Letter to CDI holders explaining options available FAQ to be sent with Buy-Back Booklet
<b>Buy-Back</b> – Updater will buy-back 10,000 CDIs (or 400 Shares of common stock) per holder up to an overall cap of A\$10 million worth of Shares or CDIs at the Buy-Back Price in conjunction with the Delisting	Section 2 Buy-Back Booklet and FAQ to be sent with Buy-Back Booklet
<b>Continuation of Updater as a private company</b> – Updater plans to pursue its existing strategy, and may decide to accelerate growth and raise additional capital. Updater will operate as a private company incorporated in the state of Delaware.	Section 1.3 – 1.7
<b>Future funding and potential further exit opportunities</b> – Updater is in discussions with parties regarding significant future funding to accelerate growth of the business and finance further back-back(s) of shares post-Delisting.	Section 1.4

This Notice of Meeting and Proxy Statement has been prepared to assist Security holders in understanding the resolutions to be proposed at the Special Meeting. You are encouraged to consider this Notice of Meeting and Proxy Statement carefully. If you are in doubt as to how to deal with this Notice of Meeting, you should consult your legal, financial or other professional adviser as soon as possible.

This Notice of Meeting and Proxy Statement is not intended to provide financial or tax advice and has been prepared without taking into account the personal circumstances of any person. Each Shareholder should obtain their own independent professional advice before making any decisions regarding the content of this Notice of Meeting and Proxy Statement, how to vote on the Resolutions and whether to participate in the Buy-Back.

### Definitions and Interpretation

Capitalised words and expressions used in this Notice of Meeting and Proxy Statement are defined in the Glossary in Appendix 1. Unless otherwise stated, all references to sums of money, \$ and dollars are to Australian dollars and all references to time are to Australian Eastern Standard Time.

### Timetable

The indicative timetable for the proposed Delisting and Buy-Back is as follows:

DATE	ACTION
20 August 2018	Ex-date for Buy-Back
21 August 2018	Notice of Meeting (seeking approval for the Buy-Back and Delisting) despatched to Shareholders together with information pack for CDI holders
21 August 2018	Record date for voting at the Special Meeting
21 August 2018	Record date to identify Security holders entitled to participate in the Buy-Back (subject to Shareholder approval of the Delisting and Buy-Back)
24 August 2018	Buy-Back booklet and acceptance forms despatched to Eligible Security holders
28 August 2018	Buy-back offer period opens
7 September 2018	Special Meeting to approve Buy-Back and Delisting of the Company from ASX
27 September 2018	Buy-Back offer period closes
8 October 2018	Suspension Date – suspension of CDIs from trading on ASX
10 October 2018	Removal of the Company from ASX
10 October 2018	CDN notifies Securityholders of the termination of the trust for the CDIs
10 October 2018	Buy-Back pricing determined
16 October 2018	Notification of volume of Securities to be bought back by the Company under the Buy-Back
23 October 2018	CDN transfers title to the Shares underlying any remaining CDIs to the former CDI holder
23 October 2018	Payment date under Buy-Back and for acquisition of fractional entitlements

Note: All dates and times above are Sydney, Australia time. The Company will also inform Security holders of any changes to the indicative timetable referred to above by market announcement made via the ASX company announcements platform.

### Forward looking statements

This Notice of Meeting contains forward looking statements. All statements that address events or developments that we expect or anticipate will or may occur in the future are forward looking statements. These forward looking statements are based on the Board or management's beliefs and expectations based on information currently available to the Board and management. The Company believes that these forward looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward looking statements which are inherently uncertain. We do not undertake any obligation to publicly update or revised any forward looking statements whether as a result of new information, future events or otherwise except as required by law or the ASX Listing Rules. Forward looking statements are subject to certain risks and uncertainties that could cause actual results, events and developments to differ materially from our historical experience, or our present expectations or projections.

## EXPLANATORY STATEMENT

### ITEMS OF BUSINESS AT THE SPECIAL MEETING

#### 1. ITEM 1 – APPROVAL OF DELISTING OF THE COMPANY FROM ASX

##### 1.1 Application for Delisting

On 15 August 2018, the Company made an application to ASX under Listing Rule 17.11 for the removal of the Company from the official list of ASX (that is, for the Company to be delisted) (“Delisting”).

ASX previously provided the Company with in-principle advice that the Company would be removed from the official list of ASX on 10 October 2018 (or such later date as is agreed with ASX) (“ASX Approval”), subject to compliance with the following conditions:

- 1.1.1 Approval of the Delisting by Shareholders by ordinary resolution;
- 1.1.2 This notice of meeting including a statement, in form and substance satisfactory to ASX, setting out:
  - (a) that the removal will take place no earlier than one month after approval is granted;
  - (b) the consequences to security holders of giving that approval;
  - (c) the time and date at which the entity will be removed from ASX if that approval is given;
  - (d) the steps holders must take to convert their CDIs to underlying securities, if that is what they wish to do; and the steps that will be taken by CHESSE Depository Nominees if holders do not convert their CDIS to the underlying securities by a nominated date;
- 1.1.3 The Company releasing the full terms of its decision to the market upon making a formal application to ASX to remove the Company from the official list of ASX;
- 1.1.4 Approval of the Buy-Back by Shareholders by ordinary resolution; and
- 1.1.5 The Company complying with the relevant rules and procedures under Section 13.5A of the ASX Settlement Operating Rules (which relate to the termination of the CDI structure).

In accordance with the ASX Approval:

- 1.1.6 the Company is seeking approval for the Delisting at the Special Meeting;
- 1.1.7 this notice contains the information required under the condition described in section 1.1.2 above;

1.1.8 the Company released the terms of its decision to the market on making its formal application for Delisting on 15 August 2018; and

1.1.9 the Company will comply with Section 13.5A of the ASX Settlement Operating Rules if shareholders approve the Delisting at the Special Meeting.

## **1.2 Timing for Delisting**

In accordance with ASX requirements, Delisting may not occur until at least one month following the Special Meeting. Accordingly, it is proposed that the Delisting occurs on 10 October 2018. Please see the timetable on page 15 for further details.

## **1.3 Intentions for the Company following the Delisting**

Following the Delisting, if approved by Shareholders, the Company will continue to operate as a private, Delaware incorporated entity.

### *Vision*

As a private company, Management plans to continue to pursue the Updater vision to build technology that is so powerful, Movers won't move without it. Management intends to achieve this vision by building deeply integrated experiences in the Mover Product for key moving-related tasks. As such, Management has no plans to change the Company's vision. Further, the Company's long-term business objective remains to become a leading technology company traded on a US exchange.

### *Management and Board:*

The Company has no current plans to make any material changes to Management or the Board. David Greenberg intends to remain as CEO after Delisting.

### *Continuation of current business plan:*

For the remainder of 2018, the Company intends to continue development towards its stated business objectives already announced to the market, including:

- Implementation of strategies that will enable growth towards 35% Estimated Market Penetration of Moves Processed
- Development and sale of Business Products in 5+ verticals;
- Securing the following number of Paid Programs in the following verticals by year end:
  - 15 paid programs in Insurance;
  - 10 paid programs in PayTV/Internet;
  - 150 paid programs in Full Service Moving;
  - 5 paid programs in DIY Moving; and
  - 500 paid programs in Local Services.

### *Revenue Growth:*

Every six months, the Company calculates its 'total revenue', which includes revenue from all products and services across all divisions. In connection with the current 2018 business plan, the Company anticipates generating total revenue in the range of US\$19 million – US\$23 million in 2018 by implementing the strategies described above. In 2017, the Company generated total revenue of US\$2.6 million. As such, the Company is forecasting a material increase in total revenue between 2017 and 2018. To track progress towards total revenue goals, the Company reports its latest 'bookings' figure each quarter, intended to approximate 'total revenue'.

The Company recently reported that unaudited bookings for Q2 2018 totaled US\$5.1 million, a 130% increase over Q1 2018 bookings of US\$2.2 million. Bookings is a core financial metric for many high-growth technology platforms, and most accurately reflects the adoption of the Company's platform and the contractual obligations of its customers to pay the Company. Bookings is particularly useful to show the anticipated future value of Business partner contracts to Updater, which may differ from the timing of cash receipts.

In connection with the deployment of 'Paid Programs' across initial verticals in 1H 2018, the Company's total revenue surged to US\$7.3 million in from US\$0.6 million in 1H 2017. In 1H 2018<sup>1</sup>, total revenue of US\$7.3 million was comprised of US GAAP recognized net Revenue of approximately US\$3.8 million, US GAAP Deferred Revenue of approximately US\$1.5 million, and 'new contractual revenue' (additional revenue expected from signed contractual obligations during the initial 12 month contract term) of US\$2.0 million.

Management will seek to materially increase total revenue over the long-term by implementing the following key initiatives:

- Increase Estimated Market Penetration of Moves Processed
- Further development and optimisation of the Updater platform, resulting in:
  - Improved performance of Business Products (enabling larger access/performance fees)
  - Improvements to the Mover Product experience (driving increased User conversion and engagement)
- Deploy Paid Programs into more verticals
- Deploy more/optimal amount of Paid Programs in each 'live' vertical

*Non-GAAP Measures:*

'total revenue': The Company calculates its half-year 'total revenue' by adding US GAAP net Revenue, plus the change in US GAAP Deferred Revenue (over the applicable period), plus 'new contractual revenue' (additional revenue expected from signed contractual obligations during the initial 12 month contract term).

'bookings': The Company calculates its quarterly 'bookings' by adding recognized revenue, plus the change in deferred revenue (over the applicable period), plus additional revenue expected from new contracts during the initial 12-month contract term.

Although Updater considers that these Non-GAAP measures provide useful information to Shareholders, they should be considered as a supplement to and not replacement for the GAAP information contained in the Company's audited or reviewed financial statements. Because Non-GAAP measures do not have

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<sup>1</sup> US GAAP net Revenue and US GAAP Deferred Revenue numbers for 1H FY2018 financials are based on the Company's reviewed half year financial statements released to ASX on or around the date of this Notice of Meeting. 'Bookings', 'total revenue' and 'new contractual revenue' are internal non-GAAP metrics used by the Company which, as a result, are not subject to review by auditors.

standard definitions, the way Updater calculates these measures may differ from similarly titled measures used by other companies.

*Potential acceleration plan:*

The Company may seek to accelerate growth to secure a powerful industry leadership position significantly faster than the current growth plan, particularly if the Company can secure additional financing as a private company (see section 1.4 below). Although the proposed acceleration plan has not yet been finalized or approved by the Board, the plan may involve:

- More aggressively selling and onboarding Real Estate Partners to achieve 35% market penetration as soon as possible, thereby solidifying industry leadership;
- Developing strategies to acquire Movers via additional relocation segments outside of Household moves, such as, student, military and international inbound moves; and
- Developing strategies to create and sell Business Products in significantly more verticals in 2019 and 2020.

Such strategies may require significant up-front technology/product development to build new features and/or more advanced configurability for deploying Business Products across 10+ verticals in an accelerated timeframe (rather than addressing each vertical more methodically over the course of 2-3 years). Further, such acceleration plan may require a significant increase in the number of personnel needed across all divisions. As such, the acceleration plan has the potential to increase the Company's cost basis and/or serve to temporarily cap revenue growth during the initial phases of deployment.

*Security holders welcome to remain:*

All Security holders will be invited to maintain their equity in Updater and participate in its future growth.

#### **1.4 How will the Company be funded after Delisting?**

As at 30 June 2018, the Company held approximately US\$39.1m in total cash (equivalent to approximately A\$52.8m). The Company will use a portion of these cash reserves to finance the Buy-Back, which may total up to A\$10m, leaving cash reserves in the range of US\$31.6m (equivalent to approximately A\$42.8m) (excluding Q3 cash receipts and Q3 costs, as estimated in the Appendix 4C released to the market on 27 July 2018).

The Company is currently in advanced discussions with a number of investors that have indicated a strong interest in subscribing for new stock in the Company and providing additional funding to the Company. Such investors have indicated interest in purchasing a new class of preferred stock (as is typical for venture capital style investors), which may carry special rights, including rights to one or more Board seats. The Company will run a comprehensive process with numerous potential investors and strategic parties, with multiple parties having entered a confidential due diligence process on the business. These parties have indicated an interest in funding a plan to accelerate growth of the business in addition to funding future buy-back(s) to enable those existing Security holders who do not wish to remain as shareholders in a private company and who hold more than 10,000 CDIs (or 400 shares of common stock) to sell additional securities. Any such third-party investment, and any future buy-backs, will be subject to shareholder approval under Delaware law.

The Board is confident that the Company will successfully secure future private investment(s) to fund an acceleration in growth and/or potential future buy-back(s). Any future investments after delisting may occur at a valuation that is not linked to the current ASX market price and the Board believes that such investment will be less dilutionary to securityholders than raising further growth capital on ASX. However, there can be no guarantee as to the amount or timing for any such future investment, or that the Company will secure an investment on terms which are acceptable to the Board and shareholders, or the price for any future buy-back(s). As a private company, Updater will need to obtain shareholder approval for such an investment transaction and buy-back as required by Delaware law.

### 1.5 Reasons for Delisting

The Board actively seeks to optimize the Company's probabilities for success, increase shareholder value, and to act in the best interests of the Company.

During the Company's early growth stages in 2015, listing the Company on ASX presented an appealing opportunity for (a) the Company to fuel growth on a public market, and (b) Australian investors to gain exposure to a high-growth US technology company. The Company's ASX listing has been a great success, fueling growth and enabling the Company to emerge as an industry leader. However, as an American technology company operating exclusively in the US, the Company has always planned to transition focus, in terms of both fundraising and communications, to the US market at the appropriate time. And, as set forth in the Company's most recent Annual Report, a delisting from ASX has been a pathway contemplated for some time.

Updater's market position has resulted in significant interest from major international (non-Australian) financial investors and strategic parties. Numerous such parties have indicated interest in investing if and when the Company becomes a private company not listed on ASX, making delisting a logical next step towards achieving the Company's vision. It is the Board's view that it is in the best interests of all Updater Security holders that the Company delist from the ASX at this time and begin the path towards the US financial markets.

The Board still plans to consider listing on a US exchange in the future.

### 1.6 Risks of not Delisting

The Board sees the following potential commercial risks of remaining listed on ASX at this time:

- **Foregoing compelling opportunities:** The Company has been approached by leading investors which seek to fund an acceleration in growth. Such acceleration opportunity, which could solidify the Company's industry leadership and block potential competitors, may be unavailable to the Company if listed on ASX.
- **Risk of lower returns:** Security holders may realise lower returns for an ultimate 'exit' in the future (either via a US listing or sale of the Company) if the valuation of the Company is pegged to the market capitalization implied by the market price of CDIs on ASX (rather than negotiated by the Board as a private company).

- **Required disclosures causing financial/competitive harm:** The details of publicly available financial statements (among other disclosures) may diminish leverage in future contract negotiations and cause material complications. Further, the Company may initiate an acceleration plan that would require public disclosure, which may cause significant complexities with partners and ultimately reveal key strategies to competitors.
- **Management time and effort:** Management will be required to attend to listing related matters, and such time could be directed elsewhere if the Company was unlisted.

### 1.7 What approvals are required for the Delisting?

The Delisting is conditional on ASX's approval, and compliance with the conditions set out in the ASX's approval as detailed above.

As stated above, one of the conditions to Delisting is approval by ordinary resolution of the Company's Shareholders. Accordingly, the Company is seeking approval of its Shareholders for the Delisting under the resolution in Item 1.

Another condition to Delisting as provided as part of ASX's Approval, is the approval of the Buy-Back by ordinary resolution of the Company's Shareholders. It should be noted that the resolutions in Item 1 and Item 2 are inter-conditional. This means that if either the resolution in Item 1 or Item 2 are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed and unless a subsequent proposed delisting is approved by Shareholders or ASX determines that the Company's securities should no longer be listed, the Company will continue to be listed on the ASX. For information relating to the potential commercial risks of remaining listed on ASX, refer to Section 1.6.

### 1.8 How will the Company be regulated after Delisting?

After Delisting, the Company will be a Delaware Corporation which will be primarily governed by Delaware General Corporation Law.

In addition, pursuant to Section 12(g) of the United States Securities and Exchange Act of 1934 (the "Exchange Act") if, after the Buy-Back, Shares are "held of record" by more than either 2,000 applicable persons or 500 persons who are not accredited investors (ie, retail shareholders), the Company will be required to register its securities with the Securities and Exchange Commission and will be subject to the related US reporting obligations. In such a circumstance, the Company may consider several alternatives to reduce the number of applicable holders of record in compliance with applicable United States Securities Laws, including without limitation a tender offer, reverse stock split, or a short-form merger (as described in Section 1.11.5 below). If applicable, the Company will comply with United States Securities Laws related to tender offers, including keeping the offer open for a minimum of 20 business days and disclosing to offerees certain information including, amongst other information, the material terms of the transaction and the parties involved, the relationships between the parties, risk factors related to the transaction, the proposals concerning the Company's ongoing business including the composition of the board and management after the transaction, the source of the Company's funds for the tender offer, audited financial statements if such statements are material to the shareholders participating in the tender offer, and the board's position regarding the tender offer.

If the Company is delisted, it will no longer be subject to the ASX Listing Rules and, as a Delaware corporation, as is the case at present, many of the provisions of the Corporations Act will not apply to Updater. It will also no longer be a disclosing entity for the purposes of the Corporations Act so it will not be required to continuously disclose information, including financial information, to Shareholders following its Delisting.

### **1.9 How can I convert my CDIs to shares of common stock?**

All CDI holders have the right to convert their CDIs into shares of common stock in Updater. 25 CDIs are equivalent to and will convert into one share of common stock.

CDI holders can convert CDIs into shares of common stock at any time up until 10 October 2018 by:

- 1.9.1 completing and returning the Register Removal Request, a copy of which can be obtained by contacting Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm Monday to Friday (Sydney time) if your CDIs are held on the issuer sponsored sub-register; or
- 1.9.2 contacting your broker, if your CDIs are held on the CHESSE sub-register.

Note that if Shareholders do not approve the Delisting, CDI holders will be able to convert their Shares back to CDIs at any time.

Further details of the options available to CDI holders are set out in the letter accompanying this Notice of Meeting.

### **1.10 Steps to be taken by CDN if CDIs are not converted to shares of common stock by 10 October 2018**

Following Delisting, as there will be no liquid market for the CDIs or shares of common stock, CHESSE Depository Nominees Pty Limited (“**CDN**”) will terminate the trust under which the shares are currently held and transfer the legal title to the underlying shares of common stock to CDI holders so that CDI holders will instead hold the full legal and beneficial title to 1 share for every 25 CDIs held at the date of Delisting.

Fractions of shares of common stock cannot be transferred to shareholders. As a result, to the extent that any fractions of shares would arise following transfer of the shares of common stock to the underlying holders due to such holders holding a number of CDIs which is not divisible by 25, all such remaining CDIs will be aggregated and will be bought back by the Company at the Buy-Back Price in accordance with Delaware General Corporations Law with the proceeds then paid to the relevant CDI holders at the same time as payments of the other Buy-Back proceeds.

For example, if a Security holder holds 120 CDIs at the Delisting date, CDN will transfer 4 shares of common stock to the CDI holder and the remaining 20 CDIs will be bought back by the Company at the higher of (a) A\$1.25 per CDI (equal to the highest price at which Updater has raised capital on the ASX) and (b) the 20-day volume weighted average price of the CDIs on ASX on the date of delisting. .

### **1.11 Effect of Delisting**

If Shareholders approve the resolution in Item 1, the Company's CDIs will be suspended from trading on ASX on 8 October 2018 ("Suspension Date") and the Company will be removed from the Official List of ASX on 10 October 2018 ("Removal Date").

If CDI holders have chosen not to participate in the Buy-Back with respect to their entire securityholding, then such CDI holders will continue to be able to trade their CDIs on ASX up to the Suspension Date. As mentioned above, following Delisting, CDN will terminate the trust under which the shares are currently held and transfer the legal title to the underlying shares of common stock to CDI holders so that CDI holders will instead hold the full legal and beneficial title to 1 share for every 25 CDIs held at the date of Delisting. After the Removal Date, shares will only be capable of sale by private transaction.

In addition:

- 1.11.1 **Share numbers and share capital** - the Company has 21,826,964 Shares and 545,674,100 CDIs on issue as at the date of this Notice of Meeting. The Delisting will, of itself, have no impact on the number of Securities. However, in the event that the resolution in Item 2 is passed, the number of Shares on issue in the Company will be reduced in the manner set out in section 2.6.3;
- 1.11.2 **Assets and liabilities** - the Directors consider that the Delisting will not adversely affect the Company's capacity to meet its existing and anticipated obligations and pay its debts as and when they fall due. The Directors believe that the Delisting will result in certain cost savings for the Company. Notwithstanding this, in the event that the resolution in Item 2 is passed, the Company's cash assets will be reduced in the manner set out in section 2.6.2 as a result of the Buy-Back;
- 1.11.3 **Control of the Company** - As the Delisting does not result in the cancellation or transfer of any CDIs other than CDIs representing fractional entitlements, it would (all other matters being equal) not impact on the control of the Company. In the event that the resolution in Item 2 is passed, the number of CDIs on issue in the Company will be reduced in the manner set out in section 2.6.3, however this should not have any material impact on control of the Company;
- 1.11.4 **Impact on creditors** - having regard to the Company's current, anticipated and contingent financial requirements and current cash position, the Directors have assessed that the Delisting will not adversely impact the rights of the Company's creditors or the ability of the Company to pay its debts as and when they fall due;
- 1.11.5 **Disclosure of CDI price** - the price of the Company's securities and trading history will no longer be available on the ASX website or newspapers and stock ticker services;
- 1.11.6 **Listing Rule compliance** – the Listing Rules will cease to apply to the Company and it will be primarily regulated under Delaware General Corporation Law as further described in section 1.8.
- 1.11.7 **CDI/Share trading** – CDI holders will be able to trade their CDIs on ASX between the date of this Notice of Meeting and the Suspension Date. As mentioned above, following Delisting, CDN will terminate the trust under which the Shares are currently held and transfer the legal title to the underlying Shares to CDI holders so that CDI holders will instead hold the full legal and beneficial title to 1 Share of common stock for every 25

CDIs held at the date of Delisting. Shareholders wishing to trade their Shares after this period will be entitled to transfer their shares off-market to a willing third party purchaser in accordance with the Company's Bylaws (and any applicable securities laws). Such a third party market may not be liquid and Security holders will be personally responsible for sourcing potential purchasers of their shares.

- 1.11.8 **Limitation under investment mandates** – Certain institutional shareholders or CDI holders may be required under their investment mandates to only invest in listed companies. Accordingly, prior to or following the Delisting, such shareholders may be required to transfer their investment to a vehicle which permits investment in unlisted entities or may be required to divest their holding either on-market prior to the Suspension Date or off-market. However, as noted below, the Company is seeking to facilitate a buy-back post Delisting for all Shareholders who do not wish to continue to hold stock in a private company.
- 1.11.9 **Potential for future buy-back(s)** – As described in section 1.4, the Company is in discussions with potential major new investors to finance subsequent buy-back(s) (after Delisting) to enable further liquidation for Security holders. However, there is no certainty at this time if and when any subsequent buy-backs will occur, and the price at which subsequent buy-backs will be conducted. The terms of any subsequent buy-back would be approved by Shareholders after Delisting in compliance with Delaware Law.
- 1.11.10 **Options and Warrants** – The Delisting will not have any impact on the Options or Warrants currently on issue in the Company other than, if exercised, the holders will receive Shares in an unlisted company rather than securities traded on ASX.

## 1.12 Advantages, Disadvantages and risks of Delisting

The Board has considered the potential advantages, disadvantages and risks associated with the delisting the Company from ASX.

### 1.12.1 Advantages

The key advantages of the Delisting essentially reflect the reasons for the Delisting set out in section 1.5.

### 1.12.2 Disadvantages and risks

The Board has considered the potential disadvantages and risks associated with the Delisting, which include the following:

- (a) the Delisting will directly impact the liquidity that would have otherwise been available to Security holders as the CDIs will no longer be capable of being traded on ASX. While certain smaller Security holders will be able to exit their CDI holding in full under the Buy-Back should they elect to accept the Buy-Back offer, many Security holders will not be able to do so and it may be difficult to divest their CDI holding on ASX prior to the Suspension Date or, even if such sale is possible, the price may not be favourable to CDI holders. As noted above, while the Company is seeking private funding to finance additional buy-back(s) of Shares held post-

Delisting from Security holders who wish to exit more of their holding, the Company does not currently have any binding commitment from a potential investor to do so and as a result, there is no guarantee as to if and when such a buy-back(s) may occur;

- (b) If the Company is delisted, the Listing Rules will no longer apply to it. In particular, Security holders will forego the protections inherent in the Listing Rules in respect of matters including:
  - (i) disclosures and restrictions on the issue of Securities such as the inability to issue over 15% of the Company's capital in a 12-month period without shareholder approval;
  - (ii) making significant changes to the Company's activities;
  - (iii) requirement to obtain shareholder approval for certain transactions with related parties of the Company; and
  - (iv) requirement to comply with the ASX Corporate Governance Principles and Recommendations.

However, the Company will continue to be bound by the requirements of Delaware General Corporation Law which include, subject to the Company's Certificate of Incorporation and Bylaws, shareholder approval requirements for matters such as:

- (i) amendments to the Company's Certificate of Incorporation;
- (ii) the election and removal of directors;
- (iii) entry into certain transactions with "interested stockholders" of the Company;
- (iv) entry into fundamental corporate transactions, including, with certain exceptions, a dissolution, merger, consolidation or sale of all or substantially all the assets of a corporation; a stockholder of a company participating in certain merger and consolidation transactions may, under certain circumstances, be entitled to appraisal rights, such as having a court to determine the fair value of the stock or requiring the company to pay such value in cash;
- (v) adoption of certain anti-takeover measures; and
- (vi) establishing stock plans and making amendments to such plans.

Note that under Delaware law shareholders may act by written consent signed by shareholders having the minimum number of votes that would be necessary to take such action at a meeting rather than holding formal shareholder meetings to approve such actions.

- (c) The Company could consider conducting a “short-form merger” pursuant to Section 253 of the DGCL, whereby the Company could compel the buy-back of the securities of minority shareholders if it is able to buy-back at least 90% of the its outstanding securities. Dissenting shareholders compelled to sell their securities in a short-form merger may have “appraisal rights” under Section 262 of the DGCL which would require the Company to buy-back the securities at a price equal to its fair market value as determined by the Delaware Court of Chancery immediately prior to the transaction.
- (d) Certain CDI holders or other Security holders may be required to divest their holdings of CDIs prior to Delisting as their investment mandates do not permit them to continue to hold shares in an unlisted company. There is no guarantee that such holders will be able to exit their holdings at a price which they consider acceptable or which is above the price at which they acquired the CDIs. The requirement to sell such holdings may also have an adverse impact on the price at which CDIs trade on ASX prior to Delisting.
- (e) While the Board is confident that private funding will be available to accelerate the growth of the business as an unlisted company, the Company does not have any binding commitment from any third party to provide such funding and accordingly there can be no certainty as to if and when such funding may be obtained or the terms of such funding. If there is a significant delay in obtaining the funding, this could result in the Company having to scale back its growth plans at least in the short term and this could adversely impact the Company’s financial position.
- (f) The Company may require future funding to operate its business and there is currently no certainty as to the terms on which such funding may be provided. Following Delisting, the Company will no longer be subject to the constraints on the issue of new shares without shareholder approval under the ASX Listing Rules, and existing Security holders may be significantly diluted as a result of the funding. In addition, future financing of the Company may involve subscription for a new class of preferred stock that involves special rights, including rights to Board seats, preferential rights on dividends or a liquidation, and/or enhanced voting or negative control rights over the Company. The potential investment round with investors that the Company is currently in discussions with (as referred to in section 1.4) may involve subscription for a class of preferred stock.

#### **1.13 What is the effect if the resolution in Item 1 is not passed?**

If the resolution in Item 1 is not passed, unless a subsequent proposed delisting is approved by Shareholders or ASX determines that the Company's securities should no longer be listed, the Delisting will not proceed and the Company's securities would remain listed on ASX.

Further to this, the resolutions in item 1 and Item 2 are inter-conditional. This means that if either the resolution in item 1 or item 2 are not approved by Shareholders, neither the Delisting or the Buy-Back will proceed.

#### **1.14 Board Recommendation and Chairman’s voting intention for Item 1**

The Board recommends that Security holders vote in favour of this item of business. The Chairman intends to vote undirected proxies in favour of this resolution.

The Board recommends that Security holders seek legal, financial and tax advice about the potential impact of the resolution in Item 1, including the potential advantages and disadvantages of holding shares in an unlisted US company.

## **2. ITEM 2 - APPROVAL OF OFF-MARKET BUY-BACK**

### **2.1 Background**

#### **2.1.1 What is a buy-back?**

Under a buy-back, a company buys its own shares back from shareholders who elect to participate in the buy-back offer. Security holders may elect to participate in the buy-back at their discretion. In an Australian company, the shares bought back are cancelled. In a US company, the shares bought back become “treasury stock”, which reduces the total amount of shares which the company has on issue by the number of shares bought back but these shares are not cancelled and remain available for “reissue” to other parties.

#### **2.1.2 Overview of the buy-back**

The resolution in Item 2 seeks Shareholder approval under the DGCL including under Section 144 thereof to buy-back 10,000 CDIs (or 400 Shares) per holder subject to an aggregate of A\$10 million worth of Shares or CDIs at the Buy-Back Price. The Company currently has 21,826,964 Shares (equivalent to 545,674,100 CDIs) on issue as at the date of this Notice of Meeting.

Participation in the Buy-Back is completely voluntary and Security holders can elect whether to sell Securities under the Buy-Back (subject to scale back if the total number of acceptances is in excess of the Buy-Back Cap).

A Security holder who does not wish to participate in the Buy-Back does not need to do anything. If a Security holder does not participate in the Buy-Back, the number of Securities that they hold in the Company will remain the same but their percentage holding in the Company will increase if other Security holders elect to participate in the Buy-Back.

The ex-entitlement date for the Buy-Back is 20 August 2018. CDIs acquired on or after this date will not confer any entitlement to participate in the Buy-Back.

#### **2.1.3 Key features of the Buy-Back**

##### **Size of Buy-Back**

The Buy-Back will comprise a buy-back of up to A\$10 million worth of Shares or CDIs at the Buy-Back Price.

Updater will offer to buy-back 10,000 CDIs (or 400 Shares) per Eligible Security holder (subject to scale back if the total number of acceptances is in excess of the Buy-Back Cap). If acceptances are received for an amount in excess of the Buy-Back Cap, the Board may, at its discretion, scale back the number of Securities to be bought back from Security holders and will give

	<p>priority to the holders of smaller parcels of Securities to enable them to fully exit their holdings.</p> <p>The Company retains the discretion to buy-back a lesser amount of CDIs than indicated. However the Company currently intends to proceed with the Buy-Back in full.</p>
<b>Buy-Back Price</b>	<p>The higher of (a) A\$1.25 per CDI, equal to the highest price at which Updater has raised capital on the ASX or (b) the 20-day volume weighted average price of the CDIs on ASX on the date of delisting.</p> <p>A\$1.25 represents a premium of 6% to the 20-day volume weighted average CDI price on ASX prior to the date of announcement of the Delisting and Buy-Back.</p> <p>Based on a Buy-Back Price of A\$1.25 per CDI, the Company will Buy-Back up to 320,000 Shares (equivalent to 8,000,000 CDIs) (representing approximately 1.5 % of the Company's issued capital) as at the date of this Notice of Meeting.</p>
<b>Eligible Security holders</b>	<p>Security holders are eligible to participate in the Buy-Back if CDIs or Shares were registered in their name on the Buy-Back Record Date, they continue to hold those CDIs or Shares and they are not an Excluded Shareholder.</p>
<b>Excluded Security holders</b>	<p>Excluded Security holders are Security holders whom the Company is aware reside in the United States or in a foreign jurisdiction where it would be either illegal under the laws of that jurisdiction or in the Company's opinion excessively onerous, costly and/or time consuming, to permit Security holders residing in that jurisdiction to participate in the Buy-Back.</p>
<b>Buy-Back Record Date</b>	5pm on 21 August 2018
<b>Opening Date</b>	28 August 2018
<b>Closing Date</b>	5pm on 27 September 2018

#### 2.1.4 Purpose of Buy-Back

In proposing the Delisting, the Board recognises that it would be beneficial to provide a liquidity mechanism for certain Security holders, particularly those holding a smaller number of Securities, who do not wish to continue holding Updater Shares as an unlisted company. Accordingly, in addition to the ability to sell their CDIs on ASX up to Suspension Date, the Company is offering the Buy-Back to provide Security holders with the opportunity to sell part of their holding (or their entire holding in the case of Security holders holding a smaller parcel of Securities) in conjunction with Delisting.

#### 2.1.5 Intentions for the Company following completion of the Buy-Back and Delisting

Sections 1.3, 1.4 and 1.8 provide details of the intentions for Updater as an unlisted company following the proposed Delisting.

## 2.2 Details of the Buy-Back process

Further details of the Buy-Back including how Security holders can participate in the Buy-Back are set out in the Buy-Back Booklet which will be dispatched to Eligible Security holders on or around 24 August 2018.

## 2.3 Advantages and disadvantages of the Buy-Back

The Board considers that the benefits and advantages of the Buy-Back are as follows:

- the Buy-Back Price will be the higher of (a) A\$1.25 per CDI (equivalent to approximately A\$31.25 per share of common stock), equal to the highest price at which Updater has raised capital on the ASX or (b) the 20-day volume weighted average price of the CDIs on the date of delisting. A\$1.25 represents a premium to the 20-day volume weighted average CDI price on ASX prior to the date of announcement of the Delisting and Buy-Back. Participating Security holders will therefore be able to realise some (or for Security holders holding smaller parcels, all) of their investment in the Company at a value that reflects a premium to the trading price of CDIs prior to the announcement of the proposals;
- Eligible Security holders have the opportunity to sell part (or for Security holders holding smaller parcels, all) of their investment in the Company prior to the proposed Delisting, following which there will be no liquid market for the Company's Securities;
- all Eligible Security holders have an equal opportunity to participate in the Buy-Back (subject to the Buy-Back Cap and scale back if this is exceeded as described in section 2.1.3);
- participating Security holders will not have to pay brokerage or appoint a stockbroker to sell their Securities pursuant to the Buy-Back;
- Eligible Security holders will have the opportunity to sell some (or for Security holders holding smaller parcels, all) of their Securities at a price which may be above the market price of the Company's CDIs available on the ASX; and
- as the Buy-Back provides a sale mechanism for Security holders independent of the ASX, the Buy-Back may have the effect of reducing selling pressure on the Company's CDI price. As a result, while liquidity may be reduced, the price at which CDIs trade on the ASX may be higher than it would be if the Buy-Back was not offered.

The Board considers that the Buy-Back may have the following disadvantages to Security holders:

- if Security holders participate in the Buy-Back, there will be a reduction in the number of Securities trading on ASX which may decrease liquidity of the Company's CDIs traded on the ASX. However, while liquidity may be reduced, the price at which CDIs trade on the ASX may be higher than it would be if the Buy-Back was not offered. However, if the Delisting proceeds, the Company's Securities will no longer be available for trading on the ASX and will be illiquid; and
- the Company will be funding the proceeds of the Buy-Back from its available cash reserves. As a result, the cash reserves of the Company after the Buy-Back will be reduced by a maximum amount of A\$10 million (US\$7,374,958 based on an exchange rate of A\$1: US\$0.737), assuming the maximum number of Securities up to the Buy-Back Cap are bought back by the Company under the Buy Back.

## 2.4 Funding the Buy-Back

The Buy-Back will be funded from the Company's existing cash resources.

As noted above, the Board is seeking investment into Updater as a private company from a number of major international financial and other investors to potentially fund, amongst other things, a further buy-back of shares following Delisting. Any future investments after delisting may occur at a valuation that is not linked to the current ASX market price and the Board believes such investment will be less dilutionary to securityholders than raising further growth capital on ASX. Whilst the Board is confident that it will be successful in securing private investment, there can be no guarantee at this time as to the timing and terms for any such investment and/or further buy-backs or that it will be able to secure investment on terms which are acceptable to the Company to fund any such future buy-back.

## 2.5 Buy-Back relative to ASX trading history of the Company's CDIs

The closing price of the Company's CDIs on ASX on 14 August 2018, being the trading day before these proposals were announced, was A\$1.190 and on the day prior to this Notice of Meeting was A\$1.105. The Buy-Back Price will be the higher of (a) A\$1.25 per CDI (equivalent to approximately A\$31.25 per Share), equal to the highest price at which Updater has raised capital on the ASX and (b) the 20-day volume weighted average price of the CDIs on the date of delisting. A\$1.25 represents a premium to the 20-day volume weighted average CDI price on ASX prior to the date of announcement of the Delisting and Buy-Back.

The table below shows the month end trading prices for the Company's CDIs over the last 12 months.

Date	Month end ASX trading price (A\$)
31 July 2018	1.245
29 June 2018	1.140
31 May 2018	1.140
30 April 2018	1.160
30 March 2018	1.230
28 February 2018	1.190
31 January 2018	1.240
29 December 2017	1.400
30 November 2017	1.100
31 October 2017	1.165
29 September 2017	1.290
31 August 2017	1.455

Security holders will not need to appoint a broker or pay brokerage to participate in the Buy-Back, but brokerage would usually be payable if selling CDIs on the ASX.

The market price of CDIs on the ASX may move higher than the Buy-Back Price. It may also vary significantly prior to the Suspension Date. The Company is not making any recommendation or giving any advice as to whether Security holders should sell their Securities into the Buy-Back (or otherwise). Before Security holders decide what to do with their Securities, they should seek their own professional advice (including taxation advice).

The tax consequences for certain Security holders if the Company buys back Securities pursuant to the Buy-Back may be different to the consequences of selling CDIs on the ASX (see section 2.8 and 2.9 below).

## 2.6 Effect of the Buy-Back on the Company

Even if you do not want to participate in the Buy-Back, you should read this section to assist you in determining whether to vote in favour of the resolution in Item 2.

### 2.6.1 Current financial performance

The Company's recent financial information including its latest quarterly report for Q2 FY18, half year report for H1 2018 and 2017 Annual Report are available on the Company's website at [www.updater.com](http://www.updater.com).

### 2.6.2 Effect on the Company's capital and reserves

The pro-forma unaudited balance sheet below shows the anticipated impact on the Company's capital reserves as a result of the Buy-Back:

#### Unaudited Pro forma and unaudited balance sheet as at 30 June 2018 (all amounts are US\$):

	Unaudited	Unaudited Pro forma
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	35,817,962	28,443,004
Restricted cash	3,319,560	3,319,560
Accounts receivable	578,534	578,534
Unbilled revenue	89,922	89,922
Prepaid expenses and other current assets	664,445	664,445
<b>Total Current Assets</b>	<u>40,470,423</u>	<u>33,095,465</u>
Property and equipment, net	1,980,354	1,980,354
Goodwill	16,321,817	16,321,817
Intangible Assets, net	5,000,975	5,000,975
Other assets	<u>149,404</u>	<u>149,404</u>

	63,922,973	56,548,015
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## Liabilities and Stockholders' Equity

### Current liabilities

Accounts payable and accrued expenses	538,169	538,169
Deferred Revenue	1,827,839	1,827,839
Total current liabilities	2,366,008	2,366,008

### Long-term liabilities

Deferred rent	645,869	645,869
Purchase consideration payable	2,000,000	2,000,000
Other long-term liabilities	923,077	923,077
Total long-term liabilities	3,568,946	3,568,946

### Stockholders' equity

Common stock, \$.001 par value	21,707	21,707
Additional paid-in capital	109,433,662	109,433,662
Treasury stock	-	(7,374,958)
Accumulated deficit	(51,467,350)	(51,467,350)
Total stockholders' equity	57,988,019	50,613,061
	63,922,973	56,548,015

Notes to the preparation of the pro forma balance sheet:

- Cash reserves of the Company after the Buy-Back will be reduced by a maximum amount of A\$10 million (ie. US\$7,374,958 based on an exchange rate of A\$1: US\$0.737), assuming the maximum number of Securities up to the Buy-Back Cap are bought back by the Company under the Buy Back.
- Assumes the Company will buy back up to an aggregate maximum of 320,000 Shares (equivalent to 8,000,000 CDIs) (A\$10 million, based on an issue price per CDI of A\$1.25 or A\$31.25 per Share).

The Buy Back will cost the Company a maximum of A\$10,000,000 (equivalent to approximately US\$7,374,958). Further the Company estimates total expenses (not netted against cash receipts) of US\$8,436,800 for Q3 (as per Appendix 4C released to the market on 27 July 2018). As such, the Company may hold less than US\$25,000,000 in cash and cash equivalents after completion of the Buy Back.

#### 2.6.3 Shares bought back will reduce issued share capital

The Company will buy back up to an aggregate maximum of 320,000 Shares (equivalent to 8,000,000 CDIs) (A\$10 million, based on an issue price per CDI of A\$1.25 or A\$31.25 per Share). All Shares bought back pursuant to the Buy-Back will become treasury stock, which reduces the total amount of shares which the Company has on issue by the number of Shares bought back but these Shares are not cancelled and remain available for "reissue" to other parties.

#### 2.6.4 Effect on solvency of the Company

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The Directors are satisfied that, having regard to the total number of Securities that the Company expects to be bought under the Buy-Back and the amount of cash that will be spent, the Company will remain solvent and will continue to be able to pay its debts as and when they fall due. The Directors will not proceed with the Buy-Back unless they are satisfied at the relevant time that it would not materially adversely affect the financial position of the Company.

#### 2.6.5 Effect of the Buy-Back on control of the Company

Assuming that the Company buys back the full 320,000 Shares (based on a Buy-Back Price of A\$1.25 per CDI), this number of Shares will be removed from the Company's issued share capital and accordingly, the holdings of remaining Security holders will increase accordingly. However, as the aggregate amount of Shares to be bought back only represents approximately 1.5% of the share capital, this will not have a material impact on control of the Company.

#### 2.6.6 Impact on liquidity and trading

As the Buy-Back provides a sale mechanism for Security holders independent of the ASX, the Buy-Back may have the effect of reducing selling pressure on the Company's CDI price. As a result, while liquidity may be reduced, the price at which CDIs trade on the ASX may be higher than it would be if the Buy-Back was not offered.

However, if the Delisting proceeds, the Company's CDIs will no longer be available for trading on the ASX and the Shares will be illiquid. Accordingly, it will be more difficult for a Shareholder, in particular minority Shareholders, to dispose of their Shares or find a purchaser for their Shares following Delisting.

#### 2.6.7 Effect on carried forward tax and capital losses

The Buy-Back is not anticipated to have any impact on the ability of the Company to utilize accrued tax losses.

#### 2.6.8 Impact on Options and Warrants

The Buy-Back will not have any impact on the existing Options or Warrants on issue in the Company.

### 2.7 Directors relevant interest in Securities and participation in Buy-Back

As at the date of this Notice, the Directors had a relevant interest in the following Shares/CDIs:

Director	Securities	Percentage of issued capital
David Greenberg	3,409,034 Shares (equivalent to 85,225,850 CDIs)	15.62%
Ryan Hubbard	1,575,005 Shares (equivalent to 39,375,125 CDIs)	7.22%

<b>Grant Schaffer</b>	28,227,736 CDIs	5.17%
<b>Antony Catalano</b>	3,197,791 CDIs	0.59%
<b>Jessica Nagle</b>	40,000 Shares (equivalent to 1,000,000 CDIs)	0.01%

Each of the Directors and the major US VC Investors have confirmed that they will not participate in the Buy-Back and that they plan to continue to hold their Shares in Updater for the foreseeable future.

## 2.8 Australian tax implications for Security holders

Set out below a broad summary of the key Australian income tax implications for Security holders looking to sell their CDIs on the market, converting their CDIs to shares of common stock (which will be in an unlisted Delaware corporation if the delisting is approved) and/or participate in the Buy-Back of 10,000 CDIs (or 400 shares of common stock) per Eligible Security holder.

This summary does not take into account the specific circumstances of any particular Security holder. As a Security holder you should obtain your own independent professional advice on the tax implications of the above events based on your own specific circumstances.

The comments are based on the tax laws as enacted and our interpretation of the positions adopted by the Australian Taxation Office (“ATO”). These laws and positions are subject to change from time to time.

This summary outlines the Australian income tax implications for Security holders in Updater who are Australian tax residents and are individuals, trusts, complying superannuation funds or companies that hold their Securities on capital account. The income tax treatment for Security holders of Updater who hold Securities on revenue account, such as trading entities has not been addressed.

Further, this summary does not take into account the circumstances of Security holders who acquired the Securities in respect of their, or an associate’s, employment with Updater or an associated entity of Updater.

### Disposal of CDIs

As the holders of CDIs are the beneficial owners for CGT purposes, any disposal of CDIs by you would result in the happening of capital gains tax (CGT) event A1 under section 104-10 of the Income Tax Assessment Act 1997.

A capital gain would arise if the capital proceeds exceeds the cost base. Conversely, a capital loss would arise if the capital proceeds is less than the reduced cost base.

If you are an Australian resident individual or a trust, you may be entitled to reduce any capital gain by 50% (general CGT discount) where the CGT asset has been held for more than 12 months. In the case of a complying superannuation fund, the general CGT discount is 33%. Companies are not entitled to the general 50% CGT discount.

Generally, foreign residents are not subject to Australian CGT, unless the relevant CGT asset is a direct or indirect interest in Australian real property. Further, foreign residents are not entitled to the general CGT discount.

### **Conversion of CDIs to shares of common stock**

The conversion of CDIs into shares of common stock (which will be in an unlisted Delaware corporation if the delisting is approved) would not result in any CGT on the basis that the conversion does not affect your beneficial ownership in the underlying shares (ie no CGT event has occurred).

The conversion of CDI into Shares would not result in a disposal as the CDI holder had an absolute entitlement to the underlying Shares.

Any subsequent disposal of the Shares in the future may give rise to a CGT event, potentially resulting in a capital gain or capital loss.

A capital gain would arise where the capital proceeds exceeds the cost base. Conversely, a capital loss would arise if the capital proceeds is less than the reduced cost base.

If you are an Australian resident individual or a trust, you may be entitled to reduce any capital gain by 50% (general CGT discount) where the CGT asset has been held for more than 12 months. In the case of a complying superannuation fund, the general CGT discount is 33%. Companies are not entitled to the general 50% CGT discount.

Generally, foreign residents are not subject to Australian CGT, unless the relevant CGT asset is a direct or indirect interest in Australian real property. Further, foreign residents are not entitled to the general CGT discount.

The net capital gain after offsetting any capital losses will need to be included in your Australian income tax return. The net capital gain will be taxed at the respective marginal tax rate. Any net capital losses can be carried forward for offset against any capital gain in future income years.

### **Buy-Back of Securities**

The Buy-Back of Securities would constitute an off-market buy -back for the purposes of Division 16K of Part III of the Income Tax Assessment Act 1936. The income tax implications associated with an off market share Buy-Back for the Security holders would directly flow from the accounting treatment adopted by Updater.

As Updater has retained losses, the Buy-Back of Securities would be entirely funded out of its share capital account. Therefore, for tax purposes the entire Buy-Back price would represent a capital component.

The capital component of the Buy-Back Price will be the higher of (a) A\$1.25 per CDI (A\$31.25 per Share) or (b) the 20-day volume weighted average price of the CDIs prior to the date of delisting, which represents all of the Buy-Back Price. There would be no dividend component as Updater has retained losses.

### **Capital Gains Tax – Disposal of Securities**

Security holders participating in the Buy-Back will be deemed for CGT purposes to have disposed of each Security for the capital component being the higher of (a) A\$1.25 per CDI (A\$31.25 per Share) or (b) the 20-day volume weighted average price of the CDIs prior to the date of delisting plus the amount (if any) by which the market value exceeds the Buy-Back Price (the capital proceeds). The date of disposal will be taken, for CGT purposes, to be the date on which Updater accepts the Acceptance Form from the relevant Security holder in accordance with the Buy-Back documentation. This is expected to be on or around 16 October 2018.

### **Capital Gain or capital loss on sale of Securities into the Buy-Back**

You will make a capital gain on a Security disposed of under the Buy-Back to the extent that the capital proceeds exceed the cost base of the Security.

Conversely, you will make a capital loss for a Security disposed of under the Buy-Back to the extent that capital proceeds are less than reduced cost base.

If you are an Australian resident individual or a trust, you may be entitled to reduce any capital gain by 50% (general CGT discount) where the CGT asset has been held for more than 12 months. In the case of a complying superannuation fund, the general CGT discount is 33%. Companies are not entitled to the general 50% CGT discount.

Generally, foreign residents are not subject to Australian CGT, unless the relevant CGT asset is a direct or indirect interest in Australian real property. Further, foreign residents are not entitled to the general CGT discount.

### **2.9 US tax implications for Security holders**

The following summary describes certain of the U.S. federal income tax consequences generally applicable to Non-U.S. Holders (as defined below) whose (i) CDIs are converted into Shares and/or (ii) whose Shares are sold into the Buy-Back. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated under the Code, published rulings, administrative pronouncements, and judicial decisions, all as in effect on the date hereof and all of which are subject to change or differing interpretations, possibly with retroactive effect.

This summary addresses only Security holders who hold their CDIs and Shares as capital assets within the meaning of the Code and does not address all of the tax consequences that may be relevant to Security holders in light of their particular circumstances or to certain types of stockholders subject to special treatment under the Code, including pass-through entities (including partnerships and S corporations for U.S. federal income tax purposes) and investors in such entities, certain financial institutions, brokers, dealers or traders in securities, insurance companies, expatriates, mutual funds, real estate investment trusts, cooperatives, tax-exempt organizations, persons who are subject to the alternative minimum tax, persons who hold their Securities as part of a straddle, hedge, conversion, constructive sale, synthetic security, integrated investment, or other risk-reduction transaction for U.S. federal income tax purposes, stockholders that have a functional currency other than the U.S. dollar, and persons who acquired their Shares upon the exercise of stock options or otherwise as compensation. This summary does not address any U.S. federal estate, gift, or other non-income tax consequences, the effects of the Medicare contribution tax on net investment income, or any state, local, or foreign tax consequences. Further, this summary does not address the application of U.S. federal, state or local tax law regarding the creditability or deductibility of non-U.S. taxes.

**Security holders are urged to consult their tax advisors to determine the particular tax consequences to them of converting their CDIs into Shares (or the automatic conversion of such CDIs into Shares) and/or participating in the Buy-Back in light of their particular circumstances.**

For purposes of this discussion, a “U.S. Holder” is a beneficial holder of Securities that, for U.S. federal income tax purposes, is (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States or any State or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if it (A) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (B) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person. A “Non-U.S. Holder” is a beneficial holder of Securities that is neither a U.S. Holder nor a partnership, or other entity treated as a partnership, for U.S. federal income tax purposes.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) participates in the Buy-Back, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A partner in a partnership holding Securities should consult its tax advisor regarding the tax consequences of participating in the Buy-Back.

#### *Non-U.S. Holders.*

The Company (or any financial intermediary required by law to withhold U.S. tax) will generally withhold an amount of U.S. federal income tax equal to 30% of the gross payments payable to a Non-U.S. Holder or its agent unless the Company (or such intermediary) determines that a reduced rate of withholding is available pursuant to a tax treaty or that an exemption from withholding is applicable because such gross proceeds are effectively connected with the conduct of a trade or business within the United States. In order to obtain a reduced rate of withholding pursuant to a tax treaty, a Non-U.S. Holder must deliver to the Company before the payment a properly completed and executed IRS Form W-8BEN (for individuals) or Form W-8BEN-E (for entities). In order to obtain an exemption from withholding on the grounds that the gross proceeds paid pursuant to the Buy-Back are effectively connected with the conduct of a trade or business within the United States, a Non-U.S. Holder must deliver to the Company a properly completed and executed IRS Form W-8ECI. A Non-U.S. Holder may be eligible to obtain a refund of all or a portion of any tax withheld if the Non-U.S. Holder meets one of the “complete redemption,” “substantially disproportionate,” or “not essentially equivalent to a dividend” tests described above or is otherwise able to establish that no tax or a reduced amount of tax is due. Non-U.S. Holders are urged to consult their tax advisors regarding the application of U.S. federal income tax withholding, including eligibility for a withholding tax reduction or exemption, and the refund procedure.

In addition, a Non-U.S. Holder (other than an individual) may be subject to a 30% withholding tax pursuant to the Foreign Account Tax Compliance Act (“FATCA”) on gross proceeds payable pursuant to the Buy-Back if the Non-U.S. Holder fails to properly establish an exemption from FATCA withholding on an IRS Form W-8BEN-E or other applicable form provided to the Depository or other withholding agent.

*U.S. Backup Withholding Tax.* As provided above, U.S. backup withholding tax will apply to the Buy-Back unless selling Security holders provide timely certifications on IRS Forms W-9 and applicable IRS Forms W-8. Under the United States federal income tax backup withholding rules, unless an exemption applies under the applicable law and regulations, the applicable withholding rate of the gross proceeds payable to a holder or other payee pursuant to the Buy-Back must be withheld and remitted to the United States Treasury, unless the holder or other payee provides its taxpayer identification number (employer identification number or social security number) to the Company and certifies that such number is correct. Therefore, each selling

Security holder must complete and sign a Form W-9 so as to provide the information and certification necessary to avoid backup withholding, unless such holder otherwise establishes to the satisfaction of the Company that it is not subject to backup withholding. Certain holders (including, among others, all corporations and certain foreign holders) are not subject to these backup withholding requirements. To prevent possible erroneous backup withholding, an exempt holder must enter its correct taxpayer identification number in Form W-9, certify that such Security holders is not subject to backup withholding on such form, and sign and date the form. In order for a foreign holder to qualify as an exempt recipient, a foreign holder must submit a statement, generally IRS Form W-8BEN, signed under penalties of perjury, attesting to that stockholder's exempt status. The Company may require that all withholding tax forms be delivered to CHES. Holders are urged to consult their own tax advisors regarding the application of United States federal income tax withholding.

**The preceding discussion is not tax advice. Holders are urged to consult their tax advisors to determine the particular tax consequences to them of participating in the Buy-Back in light of their particular circumstances, including the applicability and effect of federal, state, local, foreign, and other tax laws.**

#### **2.10 What is the effect if the resolution in Item 2 is not passed**

If the resolution in Item 2 is not passed, then the Buy-Back will not proceed.

Further to this, the resolutions in item 1 and Item 2 are inter-conditional. This means that if either the resolution in Item 1 or Item 2 are not approved by Shareholders, neither the Buy-Back or the Delisting will proceed.

#### **2.11 Board Recommendation and Chairman's voting intention for Item 2**

The Board recommends that Shareholders vote in favour of this item of business. The Chairman intends to vote undirected proxies in favour of this resolution.

The Board recommends that Security holders seek legal, financial and tax advice about the potential impact of the resolution in Item , including the potential advantages and disadvantages of participating in the Buy-Back in light of their personal circumstances.

## APPENDIX 1 - GLOSSARY

Reference	Definition
A\$	Australian Dollars
ASIC	Australian Securities and Investments Commission
Associate	has the meaning given under the Listing Rules
ASX	ASX Limited (ACN 008 624 691) or the market it operates as the context requires
Board	the board of Directors of the Company
Buy-Back	the proposed off-market buy-back of CDIs and Shares to be undertaken by the Company, the details of which are set out in Section 2 of this Notice of Meeting
Buy-Back Booklet	the booklet sent to Security holders together with this Notice of Meeting that sets out details of the Buy-Back offer
Buy-Back Offer Period	the period between 28 August 2018 and 27 September 2018 when holders can submit acceptances under the Buy-Back
Buy-Back Price	The higher of (a) A\$1.25 per CDI (A\$31.25 per Share) and (b) the 20-day volume weighted average price of the CDIs prior to the date of delisting.
Buy-Back Record Date	the date for determining which Security holders are eligible to participate in the Buy-Back
CDI	a CHESS Depository Interest over Shares in Updater, representing the beneficial interest in 1/25 of a Share
CDI holder	the registered holder of a CDI
CDI voting form	the CDI voting instruction for relating to the Special Meeting in the form accompanying this Notice of Meeting
CHESS	Clearing House Electronic Sub-register System, the ASX's computer-based securities transfer and settlement system
CDN	CHESS Depository Nominees Pty Limited
CHESS Holder	a holder of securities managed by a broker using CHESS
Company	Updater Inc (ARBN 609 188 329)
Corporations Act	Corporations Act 2001 (Cth)
Delisting	the removal of the Company from the Official List of ASX
Director	a director of the Company as at the date of this Notice of Meeting
Eligible Security holder	a Security holder who was the registered holder of Securities on the record date for the Buy-Back (and who continues to hold Securities at the conclusion of the Buy-Back) other than an Excluded Security holder
Excluded Security holder	any person excluded from participating in the Buy-Back as described in section 2.1.3
Listing Rules	the listing rules of ASX as amended or waived from time to time
Notice of Meeting	this Notice of Meeting and Proxy Statement for the Special Meeting
Proxy Form	the proxy form relating to the Special Meeting in the form accompanying Notice of Meeting

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Reference	Definition
Record Date	the date for determining which Security holders are eligible to vote at the Special Meeting
Related Party	has the meaning given to it under the Listing Rules, and includes each of the Directors
Securities	Shares of common stock and/or CDIs as the context requires, and in the context of the securities that Updater is offering to buy-back under the Buy-Back, Securities refers to both CDIs and Shares
Security holder	a Shareholder or CDI holder
Share	a fully paid share of common stock in the capital of the Company
Shareholders	the registered holder of a Share in the Company
Special Meeting	the meeting held in accordance with this Notice of Meeting
US\$	United States dollars

# updater.

ARBN 609 188 329

## Lodge your vote:

  **Online:**  
www.investorvote.com.au

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

## For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

UPD

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## CDI Voting Instruction Form

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### Vote online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 For your vote to be effective it must be received by 10.00am (AEST) Monday, 3 September 2018

### How to Vote on Items of Business

Twenty five (25) CHESS Depository Interests (CDIs) are equivalent to one (1) share of Company Common Stock, so that every 25 (twenty five) CDIs that you own at 10.00am (AEST) Tuesday, 21 August 2018 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

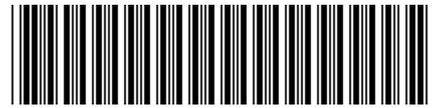
**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE**   
**or turn over to complete the form**

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MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# CDI Voting Instruction Form

Please mark  to indicate your directions

## STEP 1 CHESSE Depository Nominees will vote as directed

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### Voting Instructions to CHESSE Depository Nominees Pty Ltd

Please mark box A OR B

I/We being a holder of CHESSE Depository Interests of Updater Inc., hereby direct CHESSE Depository Nominees Pty Ltd (CDN) to:

**A**  vote on my/our behalf with respect to the Items of Business below in the manner instructed in Step 2 below.

OR

**B**  appoint the Chairman of the Meeting

OR

to attend, speak and vote the shares underlying my/our holding at the Special Meeting of Updater Inc. ("the Company") to be held at 19 Union Square West, 12<sup>th</sup> Floor, New York City, New York, United States of America on Thursday, 6 September 2018 at 8.00pm (US EDT) / Friday, 7 September 2018 at 10.00am (AEST) and at any adjournment of that meeting in accordance with the directions in Step 2 below. Where no direction is given, the proxy may vote as they see fit. Where no direction is given and the proxy is the Chairman of the Meeting, the proxy will vote For the proposed resolutions.

## STEP 2 Items of Business

\* PLEASE NOTE: If you mark the Abstain box for an item, you are directing CHESSE Depository Nominees Pty Ltd or its appointed proxy, to vote on your behalf and your votes will have the effect of a vote AGAINST the proposal.

		For	Against	Abstain (Against)*
Item 1	Approval of delisting of the Company from ASX	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Approval of off-market buy back	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

UPD

999999A

Computershare +