
FAMILY INSIGHTS GROUP LIMITED

ACN 096 870 978

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00 PM (AEST)
DATE: 25 March 2019
PLACE: 1B, 225 Montague Road
West End QLD 4101

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 AM (WST) on 15 March 2019.

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BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 70,000,000 Shares (on a pre-consolidated basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANT

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Shares (on a pre-consolidated basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 35,000,000 Options (on a pre-consolidated basis) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – CONSOLIDATION OF CAPITAL

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

"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

- (a) every fifty (50) Shares be consolidated into one (1) Share; and
- (b) every fifty (50) Options be consolidated into one (1) Option,

and, where this Consolidation results in a fraction of a Share or Option being held, the Company be authorised to round that fraction up to the nearest whole Share or Option (as the case may be)."

Dated: 22 February 2019

By order of the Board



**Mr Quinton Meyers
Company Secretary**

Voting in person

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6489 1600.

EXPLANATORY STATEMENT

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

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

1.1 General

On 22 March 2018, the Company issued 70,000,000 Shares at an issue price of \$0.008 per Share to raise \$560,000.

70,000,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 28 November 2017.

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

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of this Resolution, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

1.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 70,000,000 Shares were issued;
- (b) the issue price was \$0.008 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Shares were issued to participants in the Company's placement completed on 8 March 2018. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue were used for funding of brand and customer acquisition strategies for Wangle Family Insites, in preparation for a focus on domestic distribution partnerships and future international expansion.

2. RESOLUTIONS 2 AND 3 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

2.1 General

On 10 May 2018, the Company issued:

- (a) **(Resolution 2)**: 5,000,000 Shares were issued to Dr Neale Fong pursuant to the terms of his consultancy agreement (as announced 13 February 2018); and
- (b) **(Resolution 3)**: 35,000,000 Options exercisable at \$0.025 on or before 31 August 2018 (**Free Attaching Options**) to participants in the capital raising completed 8 March 2018 (**Capital Raising**), based on 1 Option for every 2 Shares subscribed under the Capital Raising,

(together the **Issues**).

The Company provides the following additional information in respect of the Issues:

- (a) **(Resolution 2)**: The Shares issued to Dr Fong were issued pursuant to the terms of Dr Fong's consultancy agreement (as announced on 13 February 2018) under which Dr Fong was engaged by the Company to assist the Company with major partnership development and international expansion opportunities for its best in class child protection software, Wangle Family Insites; and
- (b) **(Resolution 3)**: The Company notes that the Free Attaching Options have since expired.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the Issues (**Ratification**).

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

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

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

2.2 Technical information required by ASX Listing Rule 7.4

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

- (a) The following securities were issued pursuant to ASX Listing Rule 7.1:
 - (i) **(Resolution 2)**: 5,000,000 Shares; and
 - (ii) **(Resolution 3)**: 35,000,000 Free Attaching Options;
- (b) the issue price of the securities was as follows:
 - (i) **(Resolution 2)**: the issue price of the Shares was nil as they were issued for nil cash consideration, consistent with the terms of Dr Fong's consultancy agreement; and
 - (ii) **(Resolution 3)**: the issue price of the Free Attaching Options was nil as they were issued free attaching with the Shares issued under the Capital Raising on a 1:2 basis;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Free Attaching Options were issued on the terms and conditions set out in the Schedule;
- (e) the Shares were issued to Dr Neale Fong and the Free Attaching Options were issued to participants in the Capital Raising. None of these parties are related parties of the Company; and
- (f) no funds were raised from the Issues as the Shares were issued in consideration for consultancy services provided by Dr Fong and the Free Attaching Options were issued as free attaching to Shares subscribed for under the Capital Raising.

3. RESOLUTION 4 – CONSOLIDATION OF CAPITAL

3.1 Background

If Resolution 4 is passed and excluding any Securities issued pursuant to the other Resolutions, the number of:

- (a) Shares on issue will be reduced from 2,077,888,336 to 41,557,767 (subject to rounding); and
- (b) Options on issue will be reduced from 1,152,444,168 to 23,048,884 (subject to rounding).

As at the date of this Notice, the Company also has 45,000,000 Class C Performance Shares and 5,000,000 Class D Performance Shares on issue (**Performance Shares**). The Performance Shares are due to expire on 19 February 2019 and the Company does not, having regard to the terms of the Performance Shares as disclosed to the market on 25 February 2016, expect that any of the Performance Shares will convert into Shares in the Company.

3.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

3.3 Fractional entitlements

Not all Security Holders will hold that number of Shares or Options (as the case may be) which can be evenly divided by fifty. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

3.4 Taxation

It is not considered that any taxation implications will exist for Security holders arising from the Consolidation. However, Security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

3.5 Holding statements

From the date two Business Days after the Consolidation is approved by Shareholders, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

3.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

Capital Structure	Shares	Options ²
Pre-Consolidation Securities ¹	2,077,888,336	1,152,444,168
Post-Consolidation of Securities on a 50:1 basis	41,557,767	23,048,884
Completion of all Resolutions	41,557,767	23,048,884

1. Assuming no Options or other securities which are currently on issue are exercised into Shares prior to the Consolidation.
2. The terms of these Options are set out in full in the Notice of Annual General Meeting which was held on 30 November 2018. Since the date of that meeting, the Company has applied to have the Options listed on ASX (ASX:FAMO).

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – Pre-Consolidation

Terms	Number
Options exercisable at \$0.01 on or before 30 June 2021 (ASX:FAMO)	1,152,444,168
Total	1,152,444,168

Options – Post Consolidation

Terms	Number
Options exercisable at \$0.50 on or before 30 June 2021 (ASX:FAMO)	23,048,884
Total	23,048,884

3.7 Indicative timetable*

If this Resolution is passed, the reduction of capital will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 8) of the ASX Listing Rules):

Action	Date
Company announces Consolidation and sends out Notice of Meeting.	25 February 2019
Company tells ASX that Shareholders have approved the Consolidation.	25 March 2019
Last day for pre-Consolidation trading.	26 March 2019
Post-Consolidation trading starts on a deferred settlement basis.	27 March 2019
Last day for Company to register transfers on a pre-Consolidation basis.	28 March 2019
First day for Company to send notice to each holder of the change in their details of holdings.	29 March 2019
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements.	
Change of details of holdings date. Deferred settlement market ends.	4 April 2019
Last day for Securities to be entered into holders' Security holdings.	
Last day for the Company to send notice to each holder of the change in their details of holdings.	

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means Family Insights Group Limited (ACN 096 870 978).

Consolidation means the consolidation of the Company's issued capital on the basis that every fifty Shares or Options (as applicable) will be consolidated into one Share or Option (as applicable).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Share has the meaning given to that term at section 4.1 of this Notice.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE – TERMS AND CONDITIONS OF FREE ATTACHING OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.025 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 August 2018 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

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

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