



**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY

# NOTICE OF ANNUAL GENERAL MEETING 2019

FIRSTWAVE CLOUD TECHNOLOGY LIMITED  
ACN 144 733 595

WEDNESDAY, 20 NOVEMBER 2019  
10.00AM (SYDNEY TIME)

AT FIRSTWAVE'S OFFICES  
LEVEL 10, 132 ARTHUR STREET, NORTH SYDNEY NSW 2060

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**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY

## LETTER FROM THE CHAIRMAN

Dear Shareholder,

I am pleased to invite you to attend the 2019 Annual General Meeting (**AGM** or **meeting**) of FirstWave Cloud Technology Limited (**FirstWave** or the **Company**).

The AGM will be held in the Company's offices at Level 10, 132 Arthur Street, North Sydney, NSW, 2060 on Wednesday, 20 November 2019, commencing at 10.00am.

### Items of Business

The following pages contain details on the items of business that you have the right to vote on, as well as the Explanatory Memorandum and voting procedures.

At this year's AGM the following items will be voted on:

- Re-Election and Election of Directors.
- Approval of an issue of options.
- Ratification of prior issues of Placement Shares.
- Approval of the 10% Placement Facility.

You will also be asked to cast a non-binding vote in respect of the adoption of the Remuneration Report as set out in pages 20 to 39 of the 2019 Annual Report.

### Remuneration Report and Board Spill Meeting

At the 2018 FirstWave AGM, the Company recorded its "first strike" for remuneration report purposes.

Since last year's AGM, your Board has taken steps to understand the concerns that led to the "first strike" through a consultation process with a number of representative shareholders and taking advice from an independent expert. The common themes from the consultation process are outlined in the Remuneration Report.

The feedback received was considered in the design of the financial year 2020 remuneration strategy. The Remuneration Report outlines the actions that your Board has taken.

A board spill resolution is also included in the agenda, however, this resolution will only be put to the meeting if a "second strike" is received on the Remuneration Report.

If a spill resolution is put to the meeting and passed, it will have the following effect:

- FirstWave would be required to hold another meeting of shareholders (called a "spill meeting") within 90 days after the spill resolution is passed, to consider the composition of the Board.
- At the spill meeting all current Directors will automatically cease to hold office at the end of the "spill meeting" unless they seek re-election and are re-elected.
- Those Directors who are eligible may seek re-election, however, there is no assurance that any or all of the current Directors would do so.
- If there are fewer than three Directors immediately after the spill meeting, the remaining positions, up to a maximum of three in total, are filled by those persons who obtained the highest percentage of votes in favour of their appointment, even if this was less than 50%.

As shareholders will see from this, a board spill meeting and any subsequent board spill may not be conclusive, is disruptive to the ongoing operations of the business and is costly to the Company. Accordingly, your Board unanimously recommends that shareholders vote against the Board spill meeting and encourages all shareholders to ensure their concerns and questions regarding the Remuneration Report or any other matter are tabled either before or at the AGM.

### Additional Placement Capacity

Resolutions 5, 6 and 7 have the effect of increasing the Company's share placement capacity over the 12 months following the AGM by:

- Approving an additional 10% Placement facility.
- Ratifying placements that have taken place in the last 12 months – which refreshes the Company's 15% placement capacity which is available every 12 months without shareholder approval.

To provide maximum flexibility in the way the Company can raise further funding in the future, the Directors consider it important that shareholders approve these Resolutions. If shareholders choose not to approve these resolutions, the Board will need to look at alternative options which may not yield the same level of returns as the implementation of the Company's enunciated strategy.

The Directors unanimously recommend shareholders vote in favour of Resolutions 5, 6 and 7.

**Questions**

We encourage you to submit questions to the Company (or the Company's external auditor) in advance of the AGM. We request that you email your questions to our Company Secretary [gai.stephens@firstwavecloud.com](mailto:gai.stephens@firstwavecloud.com) by 10.00am (Sydney time) on Wednesday, 13 November 2019.

If you are unable to attend the AGM in person, you may vote directly or appoint a proxy to act on your behalf. You may register voting instructions electronically at [www.investorvote.com.au](http://www.investorvote.com.au) or complete and return the enclosed voting form by facsimile or by using the reply-paid envelope provided.

I look forward to seeing you at the AGM.

Yours faithfully,



**John Grant**  
Executive Chairman

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**AGM**) of FirstWave Cloud Technology Limited (**FirstWave** or the **Company**) will be held on 20 November 2019 at 10.00am (Sydney time) at the offices of FirstWave Cloud Technology Limited, Level 10, 132 Arthur Street, North Sydney NSW 2060.

### AGENDA

#### Item 1. Statements and Reports

To receive and consider the Annual Financial Report, together with the reports and statements of the Directors and of the Auditor for the year ended 30 June 2019.

Note:

- There is no requirement for shareholders to approve these reports.

#### Item 2. Ordinary Business

##### Resolution 1: Adoption of Remuneration Report

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

**“To adopt the Remuneration Report set out in the Directors’ Report for the year ended 30 June 2019”.**

Notes:

- This Resolution is advisory only and does not bind the Directors or the Company.
- The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the AGM when reviewing the Company’s remuneration policies.
- In accordance with section 250V of the Corporations Act, if 25% or more of the votes cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a **spill resolution**) that another meeting be held within 90 days at which all of the Company’s Directors (other than a managing director) must go up for re-election.
- This Notice includes a conditional spill resolution (Resolution 8) as a consequence of the Company receiving a “first strike” on its Remuneration Report in 2018. If at least 25% of votes are cast against adopting the 2019 Remuneration Report, the Company will have received its “second strike” and Resolution 8 will be put to a vote of the shareholders.
- Resolution 8 requires shareholders to vote on the holding of a “spill meeting” by way of ordinary resolution which if successful requires a “spill meeting” to be held within 90 days of the AGM. All of the Company’s Directors who were in office at the time the 2019 Directors’ Report was approved will automatically cease to hold office at the end of the “spill meeting” unless they seek re-election and are re-elected at the spill meeting. All of FirstWave’s existing Directors were in office at the time of the approval of the 2019 Directors’ Report and will hold office until the end of the spill meeting unless they chose to seek re-election and are subsequently re-elected.
- Following any “spill meeting” if the Company has fewer than three Directors on the Board, the remaining positions, up to a maximum of three Directors in total, are filled by those Directors who obtained the highest percentage of votes in favour of their appointment at the “spill meeting”, even if they received less than 50% of the votes in favour of their appointment.

Please note that the vote on Resolution 1 is put to shareholders to allow reasonable opportunity for shareholders to ask questions about or comment on the Remuneration Report, which is included in the Directors’ Report forming part of the Annual Report. For those shareholders who did not receive the Annual Report, it is available on the Company’s website.

##### Voting Exclusion Statement:

In accordance with sections 250R(4) and 250BD of the Act, no member of the Key Management Personnel of the Company or a Closely Related Party of such a member may vote (in any capacity) on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

- it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with the appointment which expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Notes:

- The Board unanimously recommends that shareholders vote in favour of the adoption of the Remuneration Report.
- If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

## **Resolution 2: Re-election of Mr Scott Lidgett as a Non-executive Director**

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

**“That Mr Scott Lidgett, a Director retiring in accordance with Clause 13.2 of the Company’s constitution, being eligible, is re-elected as a Director of FirstWave Cloud Technology Limited.”**

Notes:

- The non-candidate Directors unanimously support the re-election of Mr Lidgett.
- The Chairman of the meeting intends to vote undirected proxies in favour of the re-election of Mr Lidgett.

## **Resolution 3: Election of Mr John Grant as a Director**

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

**“That for the purposes of clause 13.4 of the Company’s Constitution and for all other purposes, Mr John Grant, being a Director appointed to fill a casual vacancy, retires as a Director of the Company and, being eligible, is elected as a Director of the Company.”**

Notes:

- The non-candidate Directors unanimously support the election of Mr Grant.
- The Chairman of the meeting intends to vote undirected proxies in favour of the election of Mr Grant.

## **Item 3. Special Business**

### **Resolution 4: Approval for Issue of Options to Mr John Grant**

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 10.11 and for all other purposes, approval is given for the Company to issue 4,200,000 Options to Mr John Grant or his nominee, on the terms and conditions set out in the Explanatory Memorandum.”**

#### **Voting Exclusion Statement:**

In accordance with ASX Listing Rules 10.13.6 and 14.11 of the Act, John Grant, or any associate of Mr Grant, is prohibited from voting in favour of Resolution 4 and the Company will disregard any votes cast on Resolution 4 by or on behalf of Mr Grant or any of his associates.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form, and it not cast on behalf of Mr Grant or any of his associates; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Voting Restriction pursuant to Section 250BD of the Act:**

In accordance with section 250BD of the Act, no member of the Key Management Personnel of the Company or a Closely Related Party of such a member may vote on Resolution 4 acting as a proxy.

However, in accordance with the Act, a person described above may vote on Resolution 4 if:

- it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with the appointment which expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**Chairman appointed as proxy:**

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 4, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 4.

Note:

- The Directors (other than Mr Grant) unanimously recommend that the shareholders vote in favour of Resolution 4.

**Resolution 5: Approval of 10% Placement Facility**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a special resolution:

**“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of additional Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”**

**Voting Exclusion Statement:**

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except solely in the capacity of a holder of Shares, if this Resolution 5 is passed.

However, the Company will not disregard a vote if:

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

Notes:

- The Directors unanimously support the approval of the 10% Placement Facility.
- The Chairman of the meeting intends to vote undirected proxies in favour of the approval of the 10% Placement Facility.

**Resolution 6: Ratification of Prior Issue of Placement Shares (March)**

To consider and, if thought fit, to pass 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 23,214,286 Shares issued under the placement announced on 26 March 2019 on the terms and conditions set out in the Explanatory Memorandum.”**

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of any person who participated in the issue or any of their associates.

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 Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

**Chairman appointed as proxy:**

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 6, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 6.

**Resolution 7: Ratification of Prior Issue of Placement Shares (September)**

To consider and, if thought fit, to pass, 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 34,683,567 Shares issued under the placement announced on 26 September 2019 on the terms and conditions set out in the Explanatory Memorandum.”**

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of any person who participated in the issue or any of their associates.

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 Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

**Chairman appointed as proxy:**

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 7, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 7.

## Item 4. Contingent Business

### Resolution 8: Conditional spill resolution

To consider in accordance with section 250V of the Corporations Act and, if thought fit, to pass the following resolution as an ordinary resolution:

**“That, subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the Remuneration Report:**

- a. a further meeting of shareholders (Spill Meeting) be held within 90 days of the date of this meeting;
- b. all of the Company’s Directors (other than a managing director) in office when the resolution to make the Directors’ Report to be considered at this meeting was passed and who continue in office at the date of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
- c. resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”

Note:

- This Resolution will only be put to a vote if at least 25% of the votes cast on Resolution 1 are against the adoption of the Remuneration Report.

**Voting Exclusion Statement:**

In accordance with sections 250V(2), 250R(4) and 250BD of the Act, no member of the Key Management Personnel of the Company or a Closely Related Party of such a person may vote (in any capacity) on Resolution 8.

However, in accordance with the Act, a person described above may vote on Resolution 8 if:

- it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with the appointment which expressly authorises the chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**Chairman appointed as proxy:**

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 8, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, against Resolution 8.

## NOTES

**Determination of entitlement to attend and vote**

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders as at 7.00pm (Sydney time) on 18 November 2019.

**Proxies**

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the Company. If you want to appoint one proxy, you can use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form.

The Company’s constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

To record a valid vote members will need to complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at: the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne Vic 3001, Australia or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), no later than 10.00am (Sydney time) on 18 November 2019.

You can also vote online at [www.investorvote.com.au](http://www.investorvote.com.au) by entering your Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed Proxy Form.

Custodian Voting – for Intermediary Online subscribers only (Custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

If you choose to appoint a proxy, you are encouraged to direct your proxy vote how to vote by marking either “For”, “Against” or “Abstain” for each item of business.

Shareholders may arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare Investor Services on 1300 556 161 within Australia or +61 3 9415 4000.

#### **How the Chairman of the meeting will vote undirected proxies**

Please note that if the Chairman of the meeting is your proxy (or becomes your proxy by default) and no voting direction has been given, you expressly authorise the Chair to exercise your proxy on Resolutions 1, 4, and 8 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chairman. If you appoint the Chairman as your proxy, you can direct the Chairman to vote “For” or “Against” or “Abstain” from voting on Resolutions 1, 4 and 8 by marking the appropriate box on the proxy form.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 1 to 7 (inclusive) and against Resolution 8.

#### **Admission to meeting**

Shareholders who will attend the FirstWave Cloud Technology Limited Annual General Meeting and who will not appoint a proxy are asked to bring the proxy form (if they have one) to the meeting to help speed admission. Shareholders who do not plan to attend the meeting are encouraged to complete and return a proxy form for their holdings of FirstWave Cloud Technology Limited shares.

#### **Joint holders**

In the case of shares held by joint holders, one of the joint holders may vote and if more than one joint holder is present and voting at the meeting, only the vote of the joint holder whose name appears first in the register may be counted.

#### **Quorum**

The Company constitution provides that two members present in person constitutes a quorum.

#### **Questions and comments by shareholders at the meeting**

In accordance with the Corporations Act 2001, a reasonable opportunity will be given to shareholders at the meeting to ask questions about, or make comments on, the management of the Company. Similarly, a reasonable opportunity will also be given to shareholders at the meeting – as a whole – to ask Grant Thornton, FirstWave Cloud Technology’s auditor, or their representative, questions relevant to the conduct of the audit, the preparation and content of the auditor’s report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

Written questions for Grant Thornton relevant to the conduct of the audit and the preparation and content of the auditor’s report must be received no later than 10.00am (Sydney time) on Wednesday, 13 November 2019 at Computershare (at the address or fax number for lodgement of proxy) or be sent to the Company Secretary of FirstWave at Level 10, 132 Arthur Street, North Sydney, NSW, 2060 or by email to [gai.stephens@firstwave.com.au](mailto:gai.stephens@firstwave.com.au). A list of written questions to the auditor will be available at the meeting.

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## EXPLANATORY MEMORANDUM

### Item 1. To receive and consider the Reports for the Year ended 30 June 2019

As required by section 317 of the Corporations Act 2001 (Cth) (**Corporations Act**) the Financial Report, Directors' Report, and Auditors' Report of FirstWave Cloud Technology Limited (**FirstWave** or the **Company**) for the financial year ended 30 June 2019 will be laid before the meeting. There is no requirement for a formal resolution on this item, and accordingly, this item is excluded from the proxy form. Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports. Please note that an online version of the Company's 2019 Annual Report can be downloaded or viewed on the Company's website at <http://www.firstwave.com.au/annualreport2019/>

### Item 2. Ordinary Business

#### Resolution 1: Adoption of Remuneration Report

As required by section 300A of the Corporations Act, the Directors' report includes a section entitled "Remuneration Report". An opportunity will be provided for discussion of the Remuneration Report at the meeting. The Corporations Act requires listed companies to put the Remuneration Report for each financial year to a resolution of members at their annual general meeting.

Under the Corporations Act, the vote is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies. Under the Corporations Act, if 25% or more of the votes cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on an ordinary resolution (a **spill resolution**) that another meeting be held within 90 days at which all of the Company's Directors (other than a managing director) who were in office at the time the 2019 Directors' Report was approved will cease to hold office and will need to offer themselves for re-election at the spill meeting. FirstWave Cloud Technology Limited encourages all shareholders to cast their vote on Item 2 Resolution 1 (**Remuneration Report**).

This Notice includes a conditional spill resolution (Resolution 8) as a consequence of the Company receiving a "first strike" on its Remuneration Report in 2018. If at least 25% of votes are cast against adopting the 2019 Remuneration Report, the Company will have received its "second strike" and Resolution 8 will be put to a vote of the shareholders.

In summary, the Remuneration Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors and Key Management Personnel of the Company;
- discusses the link between the Board's policies and the Company's performance; and
- sets out remuneration details for each Director and for each member of FirstWave Cloud Technology Limited's senior executive management team.

#### Directors' recommendation

The Board unanimously recommends that shareholders vote in favour of the adoption of the Remuneration Report.

#### Resolution 2: Re-election of Mr Scott Lidgett as a Non-executive Director

Clause 13.2 of the Company's constitution requires that one-third of the non-Executive Directors in office must retire from office. A retiring Director is eligible for re-election.

Being eligible, Mr Lidgett offers himself for re-election to the Board at the meeting.

Mr Lidgett is a co-founder of Lidcam Technology Pty Ltd and Channelworx Pty Ltd. Mr Lidgett has been in the IT industry since the mid-1980s. Prior to Lidcam and Channelworx Pt Ltd, Mr Lidgett had worked in corporate sales at Logical Solutions Pty Ltd, the leading reseller of Apple Computer products at the time. Channelworx, a leading IT distribution business, was acquired by US listed IT giant, Avnet Inc. in November 2007. In November 2009, Mr Lidgett was involved in the formation of a new IT security business IPsec Pty Ltd, where he also serves as Chairman.

#### Directors' recommendation

The Board (other than Mr Lidgett) unanimously recommends that shareholders vote in favour of Mr Lidgett's re-election.

### Resolution 3: Election of Mr John Grant as a Director

Mr Grant was appointed as a Director on 28 June 2019 to fill a casual vacancy. In accordance with clause 13.4 of the Company's constitution and ASX Listing Rule 14.4, Mr Grant will retire at the meeting and offer himself for election.

Mr Grant brings significant experience in terms of the technology sector, business operations and Board leadership having held positions including Managing Director and CEO of ASX listed technology company, Data#3 Limited, from 1996 to 2015 and the Inaugural Chair of the Australian Rugby League Commission from 2012 to 2018. He is currently a Non-executive Director of UniQuest Pty Limited, the commercialisation company of the University of Queensland, and Stadiums Queensland, the owner and operator of the Queensland Government's \$2.4 billion investment in elite and community stadia and entertainment assets.

#### Directors' recommendation

The Board (other than Mr Grant) unanimously recommends that shareholders vote in favour of Mr Grant's election.

## Item 3. Special Business

### Resolution 4: Approval for Issue of Options to Mr John Grant

Resolution 4 seeks approval from shareholders for the issue of 4,200,000 unlisted Options for Shares to Mr John Grant, or his nominee, and the subsequent issue of the Shares on payment of the exercise price.

The purpose of the Option grants is to both remunerate and incentivise the Director for the benefit of the Company and shareholders. This comes through having an appropriately struck Option exercise price and Vesting Dates (over a three year period) reflective of the Company's future growth. The Board has set the strike price for the Options using the volume weighted average price (**VWAP**) for the five days before Mr Grant's appointment was announced – 20 June 2019 – multiplied by uplift factors which are outlined in the table below and are consistent with those applied to recent grants. The Directors consider the strike price to be aligned to shareholder expectations on Company share price performance. The options vest in three equal tranches on 1 July 2020, 1 July 2021 and 1 July 2022, subject to the Director's continued tenure.

Vesting Date	VWAP for the 5 days prior to 28 June 2019 \$	Uplift Factor %	Exercise Price \$
1 July 2020	0.243	125	0.304
1 July 2021	0.243	175	0.425
1 July 2022	0.243	225	0.547

The rights attaching to the Options are otherwise set out in Annexure B.

In the event of a reorganisation (such as a consolidation or a sub-division of capital), the terms of the Options (including calculation of the exercise price) will be amended in compliance with Listing Rule 7.22.

There are no taxation consequences for the Company resulting from the grant of the Options, including no fringe benefits tax.

Approval of shareholders is sought for the purposes of ASX Listing Rule 10.11 for the Company to grant the Options to Mr Grant or to his nominee (**Relevant Person**). Once the Options are exercised for Shares, the Shares will rank equally with Shares currently on issue.

#### Chapter 2E

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

1. a public company giving a financial benefit to a related party; or
2. a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a Director, an entity over which a Director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Person is a Related Party of the Company.

The Directors, other than Mr Grant (given his material personal interests in the Resolution), consider that shareholder approval pursuant to Chapter 2E of the Act is not required in respect of the issue of the Options under Resolution 4 because the financial benefit is, in accordance with section 211(1) of the Act:

- remuneration to a Related Party as an officer of a public company; and
- reasonable given:
  - the circumstances of the public company or entity giving the remuneration; and
  - the Related Party's circumstances (including the responsibilities involved in the office).

#### **ASX Listing Rule 10.11**

Listing Rule 10.11 provides that the Company must not issue "equity securities" to a related party unless one of a number of exceptions applies, or shareholder approval is obtained. Accordingly, the effect of Resolution 4 is to permit the Company to issue the Options to the Relevant Person as described above in compliance with Listing Rule 10.11.

#### **Information for shareholders in accordance with Listing Rule 10.13**

The following information is provided in relation to Resolution 4 in accordance with Listing Rule 10.13:

- Name of the person: John Grant or his nominee.
- Maximum number of securities to be issued: 4,200,000 unlisted Options.
- Date by which the Company will issue the securities: The Options will be granted and issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Issue price of the securities and the terms of issue: The Options will be issued for nil consideration. The Options vest in three separate tranches with various exercise prices and expire three years from the relevant vesting date. Upon exercise of the Options, the resulting fully paid ordinary shares will rank equally with all fully paid ordinary shares on issue.
- Use of funds: No funds will be raised from the issue of Options as the Options are being issued for nil consideration.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Options under Resolution 4 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Options to the Relevant Person will not erode FirstWave's annual placement capacity of 15% of issued capital provided under Listing Rule 7.1.

#### **Directors' recommendation**

The Directors (other than Mr Grant) unanimously recommend that the shareholders vote in favour of Resolution 4.

#### **Resolutions 5, 6 and 7**

Resolutions 5, 6 and 7 have the effect of increasing the Company's placement capacity over the next 12 months by:

- approving an additional 10% Placement Facility – Resolution 5; and
- ratifying placements that have taken place in the last 12 months Resolutions 6 and 7 – which refreshes the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A which is available every 12 months without shareholder approval.

To provide maximum flexibility in the way the Company can raise further funding in the future, the Directors consider it important that shareholders approve the 10% Placement Facility and ratify the two placements which took place in calendar year 2019. If shareholders choose not to approve these resolutions the Board will need to look at alternate options which may not yield the same level of returns as the implementation of the Company's enunciated strategy.

#### **Resolution 5: Approval of 10% Placement Facility**

##### **1.1 General**

Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The only quoted Equity Securities that the Company has on issue are its Shares.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Shares under the 10% Placement Facility. The exact number of Shares to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 1.2(3) below). The Company may use the funds raised from the issue of Shares under the 10% Placement Facility for such things including but not limited to non-cash consideration for the acquisition of new or existing businesses, assets and investments, payment of consultants in lieu of fees and also for other means to generally expand the Company's business.

## 1.2 Description of ASX Listing Rule 7.1A

1. Shareholder approval  
The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.
2. Equity Securities  
Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has on issue two classes of Equity Securities, Shares and unlisted options. The only quoted Equity Securities that the Company has on issue are its Shares. Therefore, any Equity Securities issued under Listing Rule 7.1A must be Shares.
3. Formula for calculating 10% Placement Facility  
Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval under Listing Rule 7.1A at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:
 

**(A x D) – E**

**A** is the number of shares on issue 12 months before the date of issue or agreement:

  - a. plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
  - b. plus the number of partly paid shares that became fully paid in the 12 months;
  - c. plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval; and
  - d. less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.
4. Listing Rule 7.1 and 7.1A  
The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Meeting, the Company has on issue 315,489,272 Shares and will have a capacity to issue 40,823,390 Equity Securities under Listing Rule 7.1 assuming Resolution 6 and Resolution 7 is passed at the Meeting.  
  
As at the date of this Meeting, assuming shareholder approval is obtained under Resolution 5, Resolution 6 and Resolution 7, the Company will have capacity to issue a further 31,548,927 Shares under Listing Rule 7.1A. However, the actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 1.2(3) above).  
  
The above calculation does not include any future issues of Equity Securities for which approval has been sought under this Notice.
5. Minimum Issue Price  
The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:
  - i. the date on which the price at which the Equity Securities are to be issued is agreed; or
  - ii. if the Equity Securities are not issued within five Trading Days of the date in paragraph i above, the date on which the Equity Securities are issued.

6. 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- i. the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- ii. the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX **(10% Placement Period)**.

**1.3 Listing Rule 7.1A**

The effect of Resolution 5 will be to allow the Directors to issue the Shares under Listing Rule 7.1A during the 10% Placement Period without using the Company’s 15% placement capacity under Listing Rule 7.1. Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

**1.4 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- 1. The Shares will be issued at an issue price of not less than 75% of the VWAP for the Company’s Shares over the 15 Trading Days immediately before:
  - i. the date on which the price at which the Shares are to be issued is agreed; or
  - ii. if the Shares are not issued within five Trading Days of the date in paragraph i above, the date on which the Shares are issued.
- 2. If Resolutions 5, 6 and 7 are approved by shareholders and the Company issues Shares under the 10% Placement Facility, the existing shareholders’ voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - i. the market price for the Company’s Shares may be significantly lower on the date of the issue of the Shares than on the date of the Meeting; and
  - ii. the Shares may be issued at a price that is at a discount to the market price for the Company’s Shares on the issue date or the Shares are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Shares.

The below table shows the dilution of existing shareholders on the basis of the closing price of the Company’s Shares of \$0.22 each on 25 September 2019 and the current number of ordinary securities for variable “A” calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

		Dilution		
		\$0.11 50% decrease in issue price	\$0.22 Issue price	\$0.44 100% increase in issue price
315,489,272	10% voting dilution	31,548,927	31,548,927	31,548,927
Current Variable A	Funds raised	\$3,470,381.97	\$6,940,763.94	\$13,881,527.88
473,233,908	10% voting dilution	47,323,390	47,323,390	47,323,390
50% increase in current Variable A	Funds raised	\$5,205,572.90	\$10,411,145.80	\$20,822,291.60
630,978,544	10% voting dilution	63,097,854	63,097,854	63,097,854
100% increase in current Variable A	Funds raised	\$6,940,763.94	\$13,881,527.88	\$27,763,055.76

The table also shows:

- i. two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future shareholders’ meeting; and
- ii. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

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3. The Company will only issue and allot the Shares during the 10% Placement Period. The approval under Resolution 5 for the issue of the Shares will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
4. The Company may seek to issue the Shares for the following purposes including but not limited to:
- non-cash consideration for the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments, payment of consultants in lieu of fees and also for other means to generally expand the Company's business. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - cash consideration. In such circumstances, the Company intends to use the funds raised the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments, payment of consultants in lieu of fees and also for other means to generally expand the Company's business and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Shares. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Shares will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the Shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of these assets or investments.

5. The Company obtained shareholder approval under Listing Rule 7.1A at its 2012, 2013, 2014, 2015, 2016, 2017 and 2018 AGMs and provides the following information pursuant to Listing Rule 7.3A.6(a):

The total number of Equity Securities issued in the 12 months preceding the date of the Meeting and the percentage they represent of the Company's securities on issue at the commencement of that 12-month period where the Company has previously obtained approval under Listing Rule 7.1A are particularised in Annexure A.

6. A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Shares. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

#### **Directors' recommendation**

The Board unanimously recommends that shareholders vote in favour of Resolution 5.

#### **Resolution 6: Ratification of Prior Issue of Placement Shares (March)**

As announced on 26 March 2019, the Company completed a placement to institutional and sophisticated investors for the issue of 23,214,286 Shares at \$0.28 per Share, raising a total of \$6.5 million (**March Placement**).

The Company issued the Shares the subject of the March Placement without prior shareholder approval out of its 15% annual placement capacity in ASX Listing Rule 7.1.

Resolution 6 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 23,214,286 Shares under the March Placement.

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

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

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future under its remaining placement capacity under ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

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If Resolution 6 is not passed, the Shares issued pursuant to the March Placement will be deducted from the Company's placement capacity in accordance with the ASX Listing Rules, reducing the Company's ability to raise further funds through the issue of Equity Securities in the future, without first obtaining Shareholder approval.

**Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of Shares issued under the March Placement:

- a. 23,214,286 Shares were issued;
- b. the issue price per Share was \$0.28;
- c. the Shares 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 institutional and sophisticated investors;
- e. the funds raised from the issue were used to:
  - continue executing the monetisation of the "Expand" phase of the Company's international expansion strategy;
  - drive sales enablement activities for NTT DATA UK Limited, SHELTL Global Ltd and Cisco Systems, Inc to deliver first revenues in Europe, Middle East and Africa (EMEA) and North America;
  - increase the number of security services accredited on the platform, to meet demand opportunities from international markets;
  - develop function and feature enhancements to the core orchestration platform; and
- f. the voting exclusion statement is included in the Notice.

**Directors' recommendation**

The Board unanimously recommends that shareholders vote in favour of Resolution 6.

**Resolution 7: Ratification of Prior Issue of Placement Shares (September)**

As announced on 26 September 2019, the Company completed a placement to institutional and sophisticated investors for the issue of 34,683,567 Shares at \$0.19 per Share, raising a total of \$6.6 million (**September Placement**).

The Company issued the Shares the subject of the September Placement without prior shareholder approval out of its 15% annual placement capacity in ASX Listing Rule 7.1 and 10% additional placement capacity in ASX Listing Rule 7.1A.

Resolution 7 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 34,683,567 Shares under the September Placement.

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

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

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future under its remaining placement capacity under ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

If Resolution 7 is not passed, the Shares issued pursuant to the September Placement will be deducted from the Company's placement capacity in accordance with the ASX Listing Rules, reducing the Company's ability to raise further funds through the issue of Equity Securities in the future, without first obtaining Shareholder approval.

**Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of Shares issued under the September Placement:

- a. 34,683,567 Shares were issued;
- b. the issue price per Share was \$0.19;
- c. the Shares 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 institutional and sophisticated investors;

- e. the funds raised from the issue were used to:
- increase the acquisition of Level 1 and Level 2 partners into FirstWave's leveraged go-to-market model;
  - accelerate the delivery of FirstWave's product roadmap;
  - accelerate the deployment of FirstWave's multi-cloud platform globally;
  - scale FirstWave's global customer experience capability; and
- f. the voting exclusion statement is included in the Notice.

#### Directors' recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 7.

## Item 4. Contingent Business

### Resolution 8: Conditional spill resolution

Resolution 8 is a conditional resolution. It will only be put to a vote if at least 25% of the votes cast on Resolution 1 are against adopting the 2019 Remuneration Report. If less than 25% of the votes are cast against its adoption, the Company will not have a received a "second strike" and this Resolution 8 will not be put to a vote.

If this Resolution is put to shareholders and is passed as an ordinary resolution, a second meeting of shareholders (**Spill Meeting**) will be held within 90 days of the date of this meeting. At the Spill Meeting, all Non-executive Directors who were in office when the 2019 Directors' Report was approved and who continue to hold office will automatically cease holding office at the end of the Spill Meeting, however they may stand for re-election and be re-elected at the Spill Meeting. For the avoidance of doubt, this includes both Scott Lidgett and John Grant, who are up for election at this AGM.

Section 201A(2) of the Corporations Act requires the Company to have a minimum of three Directors. Accordingly, in accordance with section 250X of the Corporations Act, if, following the Spill Meeting, the Company has fewer than three Directors (including any Executive Directors), then the persons with the highest percentage of votes in favour of their election at the Spill Meeting are taken to be appointed, even if less than half the votes cast on the Resolution were in favour of their appointment. If two or more persons have the same percentage of votes in favour of their appointment, the other Directors will choose one of those persons as the appointed Director.

The Board considers the following matters to be relevant to shareholders' decision on how to vote on this Resolution:

- holding a Spill Meeting will result in significant expenses for the Company;
- the Spill Meeting is likely to cause significant disruption to the Company, resulting in the Company and the Board's focus being diverted from operational matters due to the time and expense required in organising the Spill Meeting;
- the uncertainty in the composition of the Board may have a negative effect on the Company's share price;
- each Non-executive Director who has been up for election previously has received strong support from shareholders for their election or re-election to the Board; and
- it is possible that, even if a Spill Meeting is held, all of the Directors who will cease to hold office will be re-elected at the Spill Meeting.

#### Directors' recommendation

The Board unanimously recommends that shareholders vote against this Resolution 8.

If you have any queries, please contact the Company Secretary on + 61 2 9409 7000.

By order of the Board.



**Gai Stephens**  
Company Secretary and General Counsel

18 October 2019

## ■ GLOSSARY

In this Explanatory Memorandum and Notice of Annual General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

**ASIC** means the Australian Securities and Investments Commission;

**ASX** means ASX Limited ACN 008 624 691;

**ASX Listing Rules** or **Listing Rules** means the listing rules of ASX;

**Board** means the Board of directors of the Company;

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependant of the member or of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- a company the member controls; or
- a person prescribed as such by the Corporations Regulations 2001 (Cth).

**Company** or **FirstWave** means FirstWave Cloud Technology Limited ACN 144 733 595.

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

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

**Director** means a director of the Company.

**Equity Securities** has the same meaning as in the Listing Rules.

**Key Management Personnel** has the same meaning as in the accounting standards as defined in section 9 of the Corporations Act (so the term broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director, whether executive or otherwise, of the Company).

**Meeting** means the meeting of shareholders convened by the Notice.

**Notice** means the notice of meeting to which this Explanatory Memorandum is attached.

**Option** means an Option to acquire a fully paid ordinary share in the Company.

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

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

## ANNEXURE A

### Specific disclosure required by Listing Rule 7.3A.6

In compliance with Listing Rule 7.3A.6(a), the total number of Equity Securities issued in the 12 months prior to the meeting is 113,454,167 (made up of 90,756,167 Shares and 22,698,000 unlisted Options). The total number of Equity Securities on issue 12 months prior to the meeting was 244,236,438 (made up of 224,733,105 Shares and 19,503,333 unlisted Options). Therefore, in the 12 months preceding the Meeting, the total number of Equity Securities issued as a percentage of the total number of Equity Securities on issue at the commencement of that 12-month period is 50.5958%.

The following information is provided pursuant to Listing Rule 7.3A.6(b):

Item	Issue date	Number	Class	Recipient	Issue price (\$) and discount (if any) to the market price on date of issue	Consideration, current value and use of funds as at the date of this Notice
1	22 November 2018	1,086,957	Fully paid ordinary shares	SCM Capital Pty Ltd, a nominee of Simon Moore, a Director of the Company.	\$0.23 per share representing a 14.8% discount to closing price on 23 May 2018 (23 May 2018 was the date the placement was announced, and approval for Simon Moore to participate was obtained at the following AGM).	<p>\$250,000</p> <p>The funds raised under the placement were primarily used to:</p> <ul style="list-style-type: none"> <li>execute the expand phase of the Company's international expansion strategy;</li> <li>strengthen the foundation of the Company's delivery model for existing and prospective customers;</li> <li>increase the number of accredited virtual security appliances;</li> <li>increase the number of accredited infrastructure service providers; and</li> <li>function and feature enhancements to the core Cloud Content Secure Gateway platform.</li> </ul> <p>There are no funds remaining from this placement.</p>
2	22 November 2018	9,998,000	Unlisted options	David Kirton, Neil Pollock and Lafayette Enterprise Pty Ltd, a nominee of Sam Saba.	Nil.	<p>Consideration will only be received if and when the options are exercised. Options are valued at \$757,182.</p> <p>The Company has valued the options using the Black Scholes valuation methodology.</p>
3	6 December 2018	24,314,285	Fully paid ordinary shares	Sophisticated investors.	\$0.14 per share representing a 15.2% discount to closing price on 28 November 2018.	<p>\$3,404,000.</p> <p>The funds raised under the placement were primarily used to:</p> <ul style="list-style-type: none"> <li>continue executing the "Expand" phase of the Company's international expansion strategy;</li> </ul>

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						<ul style="list-style-type: none"> <li>strengthen the foundation of the Company's delivery model for existing and prospective customers;</li> <li>increase the number of accredited virtual security appliances; and</li> <li>develop function and feature enhancements to the core Cloud Content Secure Gateway platform.</li> </ul> <p>There are no funds remaining from this placement.</p>
4	7 March 2019	3,000,000	Fully paid ordinary shares	Senior executives and Directors of the Company.	\$0.14 per share representing a 15.2% discount to closing price on 28 November 2018 (3 December 2018 was the date the placement was announced, and approval for the senior executives and Directors to participate was obtained at the following AGM).	<p>\$420,000</p> <p>The funds raised under the placement were primarily used to:</p> <ul style="list-style-type: none"> <li>continue executing the "Expand" phase of the Company's international expansion strategy;</li> <li>strengthen the foundation of the Company's delivery model for existing and prospective customers;</li> <li>increase the number of accredited virtual security appliances; and</li> <li>develop function and feature enhancements to the core Cloud Content Secure Gateway platform.</li> </ul> <p>There are no funds remaining from this placement.</p>
5	2 April 2019	23,214,286	Fully paid ordinary shares	Institutional and sophisticated investors.	\$0.28 per share representing a 16% discount to closing price on 22 March 2019.	<p>\$6.5 million</p> <p>The funds raised under the placement were primarily used to:</p> <ul style="list-style-type: none"> <li>continue executing the monetisation of the "Expand" phase of the Company's international expansion strategy;</li> <li>drive sales enablement activities for NTT DATA UK Limited, SHELTT Global Ltd and Cisco Systems, Inc to deliver first revenues in EMEA and North America;</li> <li>increase the number of security services accredited on the platform, to meet demand opportunities from international markets; and</li> <li>develop function and feature enhancements to the core orchestration platform.</li> </ul> <p>Approximately \$450,000 of funds remains from this placement. These funds will continue to be used primarily for the purposes listed above.</p>

6	12 April 2019	12,700,000	Unlisted options	Employees and senior management of the Company.	Nil.	<p>Consideration will only be received if and when the options are exercised. Options are valued at \$1,652,593.</p> <p>The Company has valued the options using the Black Scholes valuation methodology.</p>
7	30 April 2019	4,457,072	Fully paid ordinary shares	Issued to existing shareholders under a Share Purchase Plan announced to the ASX on 26 March 2019.	\$0.28 per share representing a 16% discount to closing price on 22 March 2019.	<p>\$1,247,980</p> <p>The funds raised from this placement have not yet been used. These funds will be primarily used to:</p> <ul style="list-style-type: none"> <li>continue executing the monetisation of the “Expand” phase of the Company’s international expansion strategy;</li> <li>drive sales enablement activities for NTT DATA UK Limited, SHELTL Global Ltd and Cisco Systems, Inc to deliver first revenues in EMEA and North America; and</li> <li>increase the number of security services accredited on the platform to meet demand.</li> </ul>
8	26 September 2019	34,683,567	Fully paid ordinary shares	Institutional and sophisticated investors.	\$0.19 per share representing a 14% discount to closing price on 23 September 2019.	<p>\$6,589,878</p> <p>The funds raised from this placement have not yet been used. These funds will be primarily used to:</p> <ul style="list-style-type: none"> <li>increase the acquisition of Level 1 and Level 2 partners into FirstWave’s leveraged go-to-market model;</li> <li>accelerate the delivery of FirstWave’s product roadmap;</li> <li>accelerate the deployment of FirstWave’s multi-cloud platform globally; and</li> <li>scale FirstWave’s global customer experience capability.</li> </ul>

## ANNEXURE B

### Terms of Executive and Director Options

- 1. Lapse of Options**
- a. Unless otherwise specified in the vesting conditions or vesting events applicable to an Option or determined otherwise by the Board, an Option will lapse on the earlier of:
    - ii. the Board determining that vesting conditions or vesting events applicable to an Option have not been satisfied, reached or met or are not capable of being satisfied prior to the Expiry Date of the vesting period;
    - iii. the day immediately following the relevant Expiry Date; or
    - iv. the Option lapsing in accordance with its terms, including under paragraphs 2 (Cessation of employment or engagement) or 3 (Restrictions on Transfer).
  - b. Where a holder's Options have lapsed under paragraph a:
    - i. all rights of a holder in respect of those Options are forfeited; and
    - ii. the Company will:
      - notify the holder that the Options have lapsed;
      - cancel the Options; and
      - not be liable for any damages or other amounts to the holder in respect of the Options.
- 
- 2. Cessation of employment or engagement**
- Unless otherwise determined by the Board, if a holder ceases to be employed or otherwise engaged by the Company then:
- a. all Options held by the relevant holder which have not vested and become exercisable will automatically lapse on the date the holder ceases to be employed or otherwise engaged by the Company, in accordance with paragraph 1 (Lapse of Options); and
  - b. any Options that have vested but which have not been exercised on the date the holder ceases to be employed or otherwise engaged by the Company will remain exercisable by the holder until their expiry date.
- 
- 3. Restrictions on transfer**
- An Option is not capable of being transferred, sold, mortgaged, charged, hedged or made subject to any margin lending arrangement or otherwise disposed of or dealt with or encumbered in any way, and an Option will lapse immediately if any such thing purports to occur.
- 
- 4. Participation rights**
- The Options do not carry any participation rights in new share issues.
- 
- 5. Conversion**
- Each Option converts into one fully paid ordinary Share.
- 
- 6. Exercise method**
- a. The Options may be exercised wholly or in part by the holder paying the applicable exercise price per Option to the Company.
  - b. The Company will apply to ASX to have the Shares issued pursuant to the exercise of Options granted official quotation.
- 
- 7. Shares to rank pari passu**
- All Shares issued upon exercise of the Options, and payment of the relevant exercise price to the Company, will rank pari passu in all respects with the Company's then issued Shares. The Options will be unlisted. No quotation will be sought from ASX for the Options.
- 
- 8. Capital reorganisation**
- In the event of a reorganisation of the issued capital of the Company prior to the Expiry Date, the rights attaching to each Option will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 
- 9. Takeover**
- Where there is a successful takeover bid made for Shares in the Company or a scheme of arrangement in relation to the Company, all of the participants' then unvested Options will automatically vest and must be exercised within such period as determined by the Board, otherwise they will lapse.

<b>10. Dividends and voting</b>	<ul style="list-style-type: none"> <li>a. The Options do not provide the holder any entitlement to dividends.</li> <li>b. The Options do not entitle the holder to receive notice of, attend or vote at, any meeting of the Company's shareholders.</li> </ul>
<b>11. ASX Listing Rules</b>	<p>To the extent that any of these terms and conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these terms and conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms.</p>
<b>12. Corporations Act</b>	<p>The holder's right to exercise an Option is subject to compliance with Chapter 6 of the Corporations Act 2001 (Cth). If the exercise of an Option would result in the holder having a relevant interest greater than 20% of the Company's voting shares on issue, then the holder may be prohibited from exercising its Option(s).</p>

For personal use only



**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY

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**NOTICE OF ANNUAL GENERAL MEETING 2019**



## Need assistance?



**Phone:**

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



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00am (Sydney time), Monday 18 November 2019**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**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 registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

## ATTENDING THE MEETING

**If you are attending in person, please bring this form with you to assist registration.**

### Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

### Online:

Use your computer or smartphone to appoint your proxy and vote at [www.investorvote.com.au](http://www.investorvote.com.au) or scan your personalised QR code below using your smartphone.

Your secure access information is

**Control Number: 133031**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



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

**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.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Firstwave Cloud Technology Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Firstwave Cloud Technology Limited to be held at the offices of FirstWave Cloud Technology Limited, Level 10, 132 Arthur Street, North Sydney NSW 2060 on Wednesday, 20 November 2019 at 10.00am (Sydney time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 4 & 8** (except where I/we have indicated a different voting intention below) even though **Items 1, 4 & 8** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Item 8 where the Chairman of the Meeting intends to vote against.**

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 4 & 8** by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

The Chairman of the Meeting intends to vote all available proxies in **FAVOUR** of the following items of business:  
**ORDINARY BUSINESS**

For Against Abstain

The Chairman of the Meeting intends to vote all available proxies **AGAINST** the following item of business:  
**CONTINGENT BUSINESS**

For Against Abstain

1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8	Conditional spill resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Scott Lidgett as a Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
3	Election of John Grant as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

### SPECIAL BUSINESS

4	Approval for Issue of Options to John Grant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of Prior Issue of Placement Shares (March)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Ratification of Prior Issue of Placement Shares (September)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of item 8 where the Chairman of the meeting intends to vote against. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## 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 / / \_\_\_\_\_