

CONNEXION MEDIA LIMITED

ABN 68 004 240 313

NOTICE OF GENERAL MEETING & EXPLANATORY STATEMENT

For the General Meeting to be held:

at **9 am (EST)**

on **8 April 2016**

at the offices of Connexion Media Limited, **Level 3, 600 St Kilda Road, Melbourne VIC 3004**

In this document you will find:

1. Notice of Meeting.
2. An Explanatory Statement containing an explanation of, and information about, the proposed resolutions to be considered at the General Meeting.
3. Proxy Form.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of CONNEXION MEDIA LIMITED (**Company**) will be held at **9 am (EST) on 8 April 2016** at Connexion Media Limited, **Level 3, 600 St Kilda Road, Melbourne VIC 3004**.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1 **Resolution 1: Ratification of issue of Convertible Notes**

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the ratification of the issue of 20,000 Convertible Notes on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue of Convertible Notes and any associates of those persons, except where the votes are cast: (a) by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or (b) 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 issue of Shares**

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the ratification of the issue of 5,000,000 Shares on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue of Shares and any associates of those persons, except where the votes are cast: (a) by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or (b) 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: Approval of issue of Unlisted Options**

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of 2,500,000 Unlisted Options on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the issue or who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed and any of their associates, except where the votes are cast: (a) by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or (b) 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: Approval of issue of Piggy Back Options**

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of 3,042,172 Piggy Back Options on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue or who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the Resolution is passed and any of their associates, except where the votes are cast: (a) by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or (b) 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.

By order of the Board



George Parthimos

Director

Date: 9 March 2016

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PROCEDURAL NOTES

These notes form part of the Notice of Meeting.

1 Determination of Shareholders' Right to Vote

In accordance with regulations 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that for the purposes of the meeting, a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Company's share register as at 7.00pm on 6 April 2016.

2 Appointment of 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. You may appoint the Chair of the meeting or someone else.

Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder; and
- (c) 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 Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then each proxy may exercise one-half of the votes.

An appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

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

If:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Shareholders;
- (b) the appointed proxy is not the Chair of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

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

3 Bodies Corporate

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A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of the Company's shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

4 Incorporation of Explanatory Statement

The Explanatory Statement attached to this Notice of Meeting, is hereby incorporated into and forms part of this Notice of Meeting.

5 Questions from Shareholders

At the General Meeting, the Chair will allow a reasonable opportunity for Shareholders to ask questions in relation to the Resolutions to be put to the meeting.

EXPLANATORY STATEMENT

This information forms part of the Notice of Meeting. The main purpose of this Explanatory Statement is to provide Shareholders with information concerning the Resolutions.

The Explanatory Statement and all attachments are important documents. They should be read carefully. The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1 Resolution 1: Ratification of issue of Convertible Notes

1.1 Background

On or about 19 August 2015, the Company issued 20,000 Convertible Notes to various sophisticated investors for an aggregate face amount of \$2,000,000.

The funds raised were used for the continued work on the commercialisation of "Commercial Link" and for working capital.

The issue of Convertible Notes did not need disclosure to investors under Part 6D.2 of the Corporations Act and was not made to a person who is a 'retail client' within the meaning of section 761G of the Corporations Act.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those 20,000 Convertible Notes.

1.2 Terms of issue

The key terms of the Convertible Notes are as follows:

ITEM	DESCRIPTION
Notes	Secured and unlisted
Maturity Date	18 August 2017
Face Value	Each Convertible Note has a face value of \$100.
Status of note	Each Convertible Note is secured by a security interest in all of the present and after acquired property of the Company.
Interest	Each noteholder is paid interest quarterly from the date of issue of the Convertible Note at an interest rate of 12% per annum, until the note is redeemed or converted.
Conversion rights	<p>A noteholder may elect to convert any or all of its Convertible Notes to Shares at any time between 1 October 2015 and the Maturity Date by giving a conversion notice to the Company no less than 35 business days before the date of conversion.</p> <p>No Shares will be issued on the conversion of any Convertible Notes if it would result in a person acquiring voting power in the Company in excess of 20%, unless specific Shareholder approval is obtained under Item 7 of Section 611 of the Corporations Act.</p>
Conversion Shares	<p>The Shares issued on conversion will rank equally in all respects with the Shares on issue.</p> <p>The Company will apply for official quotation by ASX of the conversion shares after the conversion date.</p>
Redemption	The Company must redeem the Convertible Notes for their face value (plus any accrued and unpaid interest) on the Maturity Date.
Reconstructions	If a reconstruction occurs, the entitlement of the noteholder to convert their Convertible Notes must be reconstructed in the same proportion and manner as the issued capital of the Company.
Events of Default	If an event of default occurs and a Noteholder serves a notice on the Company declaring a Convertible Note to be immediately

	<p>redeemable, the Company must immediately redeem the Convertible Note.</p> <p>Events of default include:</p> <ul style="list-style-type: none"> • an insolvency event; • a change of control of the Company; • the sale of the business or main undertaking of the Company; • a breach of obligations under the note deed where the breach is capable of remedy and has not been remedied within 20 business days of receipt of a breach notice; • a note term becomes void; • it becomes unlawful for the Company to perform its obligations under the note terms; or • a failure by the Company to convert the notes into ordinary shares in accordance with the note terms.
Rights of noteholder	A Convertible Note does not entitle a noteholder to vote at a general meeting of the Company, to receive dividends or other distributions or participate in the issue of securities.

1.3 ASX Listing Rules 7.1 & 7.4

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 a general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

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

If the Shareholders approve Resolution 1 the Shares issued on conversion of the Convertible Notes, will also be issued without using the Company's placement capacity, in reliance of the exception in ASX Listing Rule 7.2 (Exception 4).

If Shareholders do not ratify the issue of the Convertible Notes pursuant to Listing Rule 7.4 then it will be necessary for the Company to seek Shareholder approval at the time of any conversion of the Convertible Notes before the Shares to be issued upon conversion can be issued, if the Company has insufficient capacity to do so within its 15% capacity under Listing Rule 7.1 at that time. Whilst the terms of the Convertible Notes permit the Company to seek shareholder approval where it is necessary to do so, effectively extending the conversion date to the date of obtaining such approval, it is the Board's preference that Shareholders ratify the issue of the Convertible Notes at this time, so that shareholder approval is not required if and when conversion of the Convertible Notes occurs.

1.4 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 issue of Convertible Notes the subject of Resolution 1:

The number of securities issued	<p>20,000 Convertible Notes</p> <p>The maximum number of Shares that may be issued on conversion of the Convertible Notes is 8,000,000 (as adjusted in the circumstances of a capital reorganisation, if applicable). The number of</p>
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	Shares that are issued will vary depending on the number of noteholders electing to convert the Convertible Notes.
The price at which the securities were issued	Each Convertible Note has a face value of \$100 (\$2,000,000 in aggregate).
The terms of the securities	See section 1.2 of this Explanatory Statement. The Convertible Notes are convertible into Shares. Shares issued on the conversion of the Convertible Notes will have the same terms and rank equally in all respects with existing Shares in the Company and will be quoted on the ASX.
The names of the persons to whom the Company issued the Convertible Notes or the basis on which those persons were determined	Various sophisticated investors who were clients of Canaccord Genuity Wealth Management.
The use (or intended use) of the funds raised	See Section 1.1 of this Explanatory Statement.
Voting Exclusion Statement	A voting exclusion statement is included in the Notice of Meeting.

1.5 Recommendation

The Directors of the Company unanimously recommend to all Shareholders that they vote in favour of Resolution 1.

2 Resolution 2: Ratification of the issue of Shares

2.1 Background

The Company announced on 18 February 2016 that it had signed an agreement for a private placement of 5,000,000 Shares to new institutional and sophisticated investors raising \$900,000 before costs (**Placement**). The Shares were issued on 3 March 2016.

The Company intends to use the proceeds of the Placement to facilitate key operational activities, including completing any minor modifications or development work necessary to prepare GM Commercial Link for its imminent full product launch. The proceeds will also be used for ongoing improvements to the services as requested by General Motors and for general working capital.

Each subscriber to the Placement is also entitled to be issued Unlisted Options. The Unlisted Options are the subject of Resolution 3 and will be issued pursuant to personal offers to be made in a prospectus to be lodged by the Company following the Meeting.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the 5,000,000 Shares the subject of the Placement.

2.2 ASX Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 1.3 above.

By ratifying the issue of Shares the subject of the Placement, 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.

If Shareholders do not approve the issue of the Shares pursuant to Listing Rule 7.4 then the Shares issued pursuant to the Placement will reduce the Company's annual placement capacity..

2.3 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 issue of Shares the subject of Resolution 2:

The number of securities issued	5,000,000 Shares
The price at which the securities were issued	18 cents per Share
The terms of the securities	The Shares have the same terms and rank equally in all respects with existing Shares in the Company and are quoted on the ASX.
The names of the persons to whom the Company issued the Convertible Notes or the basis on which those persons were determined	Various sophisticated investors who are clients of JB Advisory Pty Ltd.
The use (or intended use) of the funds raised	See section 2.1 of this Explanatory Statement.
Voting Exclusion Statement	A voting exclusion statement is included in the Notice of Meeting.

2.4 Recommendation

The Directors of the Company unanimously recommend to all Shareholders that they vote in favour of Resolution 2.

3 Resolution 3: Approval of the issue of Unlisted Options

3.1 Background

Each investor who subscribed for Shares pursuant to the Placement is entitled to be issued one Unlisted Option for every two Shares subscribed. The terms of issue of the Unlisted Options are set out in Section 3.2 below. Unlisted Options will be issued by the Company pursuant to a prospectus for the offer of options, to be lodged following the Meeting.

Resolution 3 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 2,500,000 Unlisted Options.

3.2 Terms of issue

The key terms of the Unlisted Options are as follows:

- (a) Each Unlisted Option entitles the holder to subscribe for 1 Share upon exercise of the option and payment of the Exercise Price (defined below).
- (b) Each Unlisted Option is exercisable at any time for a consideration of \$0.25 per option payable in full on exercise of the option (**Exercise Price**).
- (c) Each Unlisted Option automatically expires on the second anniversary of the issue date (**Expiry Date**).
- (d) The Unlisted Options will be unlisted and the Company will not apply to the ASX for official quotation of the Unlisted Options.
- (e) Unlisted Options will not confer an entitlement to receive dividends declared and paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Unlisted Options has exercised the Unlisted Options before the record date for determining these entitlements and participates as a result of holding Shares.
- (f) The Company will apply to the ASX for official quotation of the Shares issued upon exercise of Unlisted Options within the time period required by the Listing Rules.

- (g) A holder of Unlisted Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Unlisted Options.
- (h) In the event of a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the holders of Unlisted Options (including, without limitation, the number of Options to which the option holder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (i) If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Unlisted Options before the record date for determining entitlements to the issue, the Exercise Price of each Unlisted Option will be reduced in the manner permitted by the Listing Rules applying at the time of the pro-rata issue.
- (j) If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Unlisted Option before the record date for determining entitlements to the issue, then the number of Shares over which that Unlisted Option is exercisable will be increased in the manner permitted by the Listing Rules applying at the time of the bonus issue.

3.3 ASX Listing Rules 7.1 and 7.2 (Exception 4)

A summary of Listing Rule 7.1 is set out in Section 1.3 above.

If Shareholders approve Resolution 3 the Unlisted Options will be issued without using the Company's annual placement capacity. The Company would like to retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity.

If the Shareholders approve Resolution 3 the Shares issued on exercise of the Unlisted Options will also be issued without using the Company's placement capacity, in reliance of the exception in ASX Listing Rule 7.2 (Exception 4).

If Shareholders do not approve the issue of the Unlisted Options pursuant to Listing Rule 7.1 then:

- (a) the issue of Unlisted Options will be counted in the Company's annual placement capacity and if the annual placement capacity is insufficient it may be necessary for the Company to:
- reduce the number of Unlisted Options to be issued; or
 - stagger the issue of Unlisted Options to fit within its 15% annual placement capacity under Listing Rule 7.1 from time to time; and
- (b) it may also be necessary for the Company to seek Shareholder approval at the time of exercise of the Unlisted Options before the Shares to be issued upon exercise can be issued, if the Company has insufficient capacity to do so within its 15% capacity under Listing Rule 7.1 at that time.

3.4 Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Unlisted Options the subject of Resolution 3:

The maximum number of securities the Company is to issue	2,500,000 Unlisted Options. The number of Shares will vary depending on the number of option holders electing to exercise Unlisted Options. The maximum number of Shares that will be issued on exercise of the Unlisted Options will be 2,500,000.
The date by which the entity will	The Unlisted Options will be issued no later than 3

issue the securities	months from the date of this meeting. The Shares to be issued on exercise of the Unlisted Options will occur progressively.
The issue price of the securities	The issue price of the Unlisted Options is \$nil. The exercise price of each Unlisted Option is \$0.25.
The names of the persons to whom the Company will issue the securities (if known) or the basis upon which those persons will be identified or selected	Subscribers to the Placement.
The terms of the securities	Please refer to section 3.2 of this Explanatory Statement. Shares issued on exercise of the Unlisted Options will have the same terms and rank equally in all respects with existing Shares in the Company and will be quoted on the ASX.
The use (or intended use) of the funds raised	No funds are being raised by the issue of the Unlisted Options. Any funds raised from the exercise of Unlisted Options will be used for working capital.
Voting Exclusion Statement	A voting exclusion statement is included in the Notice of Meeting.

3.5 Recommendation

The Directors of the Company unanimously recommend to all Shareholders that they vote in favour of Resolution 3.

4 Resolution 4: Approval of the issue of Piggy Back Options

4.1 Background

In February and May 2015 the Company made a general offer of listed options pursuant to a prospectus. The terms of issue of those listed options included the right to be issued a further option (**Piggy Back Option**) for each listed option exercised on or before 1 January 2016.

A total of 3,042,172 listed options were exercised by this date. The Company will therefore be making personal offers to issue 3,042,172 Piggy Back Options to the relevant option holders. Those offers will be made in a prospectus that complies with Part 6D.2 of the Corporations Act and which is to be lodged following the Meeting.

Resolution 4 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those 3,042,172 Piggy Back Options.

4.2 Terms of issue

The key terms of the Piggy Back Options are as follows:

- (a) Each Piggy Back Option is exercisable at any time for a consideration of \$0.25 per option payable in full on exercise of the option (**Exercise Price**).
- (b) Each Piggy Back Option automatically expires at 5.00 pm on 1 January 2018 (**Expiry Date**).
- (c) The Company will not apply to the ASX for official quotation of the Piggy Back Options.
- (d) Each Piggy Back Option entitles the holder to subscribe for 1 Share upon exercise of the option and payment of the Exercise Price.

- (e) The Company must give the holder of each Piggy Back Option a certificate or holding statement stating:
- the number of Piggy Back Options issued to each holder;
 - the Exercise Price of the Piggy Back Options; and
 - the date of issue of the Piggy Back Options.
- (f) Subject to the provisions of the Company's trading policy, Piggy Back Options may only be exercised during the hours of 8.30am to 5.00pm (**Business Hours**) by the delivery to the registered office of the Company or the Share Registry of a notice in writing stating the intention of the holder to:
- exercise all or a specified number of the Piggy Back Options; and
 - pay the Exercise Price in full for the exercise of each such Piggy Back Option.
- (g) A notice in writing received outside of Business Hours will be deemed received at the next opening of Business Hours.
- (h) The exercise notice must be accompanied by the certificate or holding statement for the Piggy Back Options being exercised and a cheque made payable to the Company for the Exercise Price for the Piggy Back Options being exercised.
- (i) The Piggy Back Options will be deemed to have been exercised on the date the exercise notice is received or deemed to be received by the Company or the Share Registry.
- (j) The Company will allot the Shares to which a holder is entitled following exercise of Piggy Back Options and deliver a holding statement with respect to such Shares within the timeframe required by the Listing Rules.
- (k) The exercise of only some Piggy Back Options will not affect the rights of the holder to the balance of the Piggy Back Options held by them.
- (l) If the holder of the Piggy Back Options exercises less than the total number of Piggy Back Options registered in the holder's name:
- the holder of the Piggy Back Options must surrender its option certificate, if one has been issued by the Company; and
 - the Company must cancel the certificate and issue the holder of the Piggy Back Options a new certificate or holding statement stating the remaining number of Piggy Back Options held by the holder and stating the information set out above.
- (m) Piggy Back Options will not confer an entitlement to receive dividends declared and paid by the Company, nor an entitlement to vote at general meetings of the Company unless the holder of the Piggy Back Options has exercised the Piggy Back Options before the record date for determining these entitlements and participates as a result of holding Shares.
- (n) A holder of Piggy Back Options does not have the right to participate in bonus issues or new issues of securities offered to Shareholders until Shares are allotted to the holder pursuant to the exercise of the Piggy Back Options.
- (o) In the event of a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the holders of Piggy Back Options (including, without limitation, the number of Piggy Back Options to which the option holder is entitled to and the Exercise Price) will be changed (as appropriate) in accordance with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (p) If the Company makes a pro-rata issue (other than a bonus issue) to existing Shareholders and no Share has been issued in respect of the Piggy Back Options before the record date for determining entitlements to the issue, the Exercise Price of each Piggy Back Option will be reduced in the manner permitted by the Listing Rules applying at the time of the pro-rata issue.
- (q) If the Company makes a bonus issue to existing Shareholders and no Share has been issued in respect of that Piggy Back Option before the record date for determining entitlements to the issue, then the number of Shares over which that Piggy Back Option is exercisable will be increased in the manner permitted by the Listing Rules applying at the time of the bonus issue.
- (r) The Company is entitled to treat the registered holder of a Piggy Back Option as the absolute holder of that Piggy Back Option and is not bound to recognise any equitable or other claim to, or interest in, that Piggy Back Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.
- (s) If there is any inconsistency between any of the preceding terms and conditions and the Listing Rules, then the Listing Rules prevail to the extent of the inconsistency.

4.3 ASX Listing Rules 7.1 and 7.2 (Exception 4)

A summary of Listing Rule 7.1 is set out in Section 1.3 above.

If Shareholders approve Resolution 4 the Piggy Back Options will be issued without using the Company's annual placement capacity. If the Shareholders approve Resolution 4 the Shares issued on exercise of the Piggy Back Options will also be issued without using the Company's annual placement capacity, in reliance of the exception in ASX Listing Rule 7.2 (Exception 4). The Company would like to retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity.

If Shareholders do not approve the issue of the Piggy Back Options pursuant to Listing Rule 7.1 then the issue of Piggy Back Options will reduce the Company's 15% annual placement capacity. In addition, the Shares issued on exercise of the Piggy Back Options will also reduce the Company's 15% annual placement capacity at that time. It is the Board's preference that Shareholders approve the issue of the Piggy Back Options at this time, so that the number of Piggy Back Options does not reduce its 15% capacity under Listing Rule 7.1 from time to time.

4.4 Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Piggy Back Options the subject of Resolution 4:

The maximum number of securities the Company is to issue	3,042,172 Piggy Back Options The maximum number of Shares that may be issued on exercise of the Piggy Back Options is 3,042,172 (as adjusted in circumstances of a capital reorganisation). The number of Shares that are issued will vary depending on the number of Piggy Back Options exercised.
The date by which the entity will issue the securities	The Piggy Back Options will be issued no later than 3 months from the date of this Meeting. The Shares to be issued on exercise of the Piggy Back Options will occur progressively.
The issue price of the securities	The issue price of the Piggy Back Options is \$nil. The exercise price of each Piggy Back Option is \$0.25.

The names of the persons to whom the Company will issue the securities (if known) or the basis upon which those persons will be identified or selected	Holders of listed options (ASX:CXZO) pursuant to a prospectus dated 2 February 2015 and 12 May 2015, who exercised listed options on or before 1 January 2016.
The terms of the securities	The terms of the Piggy Back Options are set out in Section 4.2 above. Shares issued on exercise of the Piggy Back Options will have the same terms and rank equally in all respects with existing Shares in the Company and will be quoted on the ASX.
The use (or intended use) of the funds raised	No funds will be raised from the issue of Piggy Back Options. Any funds raised from the exercise of Piggy Back Options will be used for working capital.
Voting Exclusion Statement	A voting exclusion statement is included in the Notice of Meeting.

4.5

Recommendation

The Directors of the Company unanimously recommend to all Shareholders that they vote in favour of Resolution 4.

5

Glossary

The following words and expressions used in the notice of meeting and Explanatory Statement have the following meanings unless the context requires otherwise:

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited ACN 98 008 624 691

Board means the board of directors of the Company.

Chair means the chairman of the Company.

Company means Connexion Media Limited (ABN 68 004 240 313).

Constitution means the Company's constitution.

Convertible Notes means the convertible notes described in Section 1.2 of the Explanatory Statement.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying the notice of meeting for the Meeting.

Listing Rules means the Listing Rules of the ASX.

Meeting means the general meeting of the Company to be held at 9am on 8 April.

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

Piggy Back Options means the options described in Section 4.2 of the Explanatory Statement.

Placement has the meaning given to that term in Section 2.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Resolution means a resolution proposed in the Notice of Meeting.

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

Shareholder means a holder of Shares.

Unlisted Options means the options described in Section 3.2 of the Explanatory Statement.

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Connexion Media Limited: Proxy Form

Section 1: Security Holder

Name(s) _____
 Address _____
 Security Holder Reference Number _____

Section 2: Appointment of Proxy

I/We being a member/s of the Company hereby appoint:

The Chair of the Meeting
 (mark with an "x")

OR

(Write here the name of the person you are appointing if this person/s is someone other than the Chair of the meeting)

Write here % of votes or number of shares if appointing 2 proxies

(Write here the name of the person you are appointing if you are appointing a second proxy)

Write here % of votes or number of shares if appointing 2 proxies

or failing the person/s named, or if no person/s is named, the Chair of the meeting, as my/our proxy and to act generally at the meeting on my/our behalf and to vote in accordance with the directions in Section 3 below (or if no directions have been given, as the proxy sees fit) at the General Meeting of Connexion Media Limited to be held at Level 3, 600 St Kilda Road, Melbourne VIC 3004 at **9 am on 8 April 2016** and at any adjournment or postponement of that meeting.

Section 3: Items of Business

I/We direct as follows:

		For	Against	Abstain
Resolution 1	Ratification of issue of Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of issue of Unlisted Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of Piggy Back Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note:

- If you have appointed a proxy and do not mark any direction box for an item, your proxy is authorised to vote or abstain from voting on the relevant item in their absolute discretion.
- If you have appointed a proxy and 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 Chair of the meeting intends to vote undirected proxies in favour of each item of business. In exception circumstances, the Chair of the meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Section 4: Authorised Signature/s

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

Security Holder 1 (Individual)

Sole Director and Sole Company Secretary

Security Holder 2 (Individual)

Director

Security Holder 3 (Individual)

Director/Company Secretary (delete one)

_____ () _____

Contact Name

Contact daytime telephone

Email

Date

YOUR VOTE IS IMPORTANT - PLEASE READ THE INFORMATION BELOW

If you are unable to attend the meeting, you are encouraged complete and lodge this form.

Appointing a 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 as they choose. If you mark more than one box on an item your vote will be invalid for that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of shares 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 of 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 shares 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 shares for each in Section 2 overleaf.

A proxy need not be a shareholder of the Company.

Signing Instructions

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

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

Power of Attorney: If you have not already 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.

Attending the Meeting

Please bring this form to assist registration. If a representative of a corporate shareholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Connexion Media Limited, Level 3, 600 St Kilda Road, Melbourne VIC 3004.

For your vote to be effective it must be received no later than 7pm on 6 April 2016

Lodging a proxy form

Send completed forms to:

By Fax:	+61 3 8640 0779
By Mail:	Connexion Media Limited, Level 3, 600 St Kilda Road, Melbourne VIC 3004
In Person:	Connexion Media Limited, Level 3, 600 St Kilda Road, Melbourne VIC 3004