
CONNEXION MEDIA LTD

ACN 004 240 313

(to be renamed Connexion Telematics Ltd)

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at 39-43 Murray Road North, Welshpool, Perth WA on 26 November 2018 at 10.00am (AWST).

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6143 4100

CONNEXION MEDIA LTD
ACN 004 240 313

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Connexion Media Ltd (**Company**) will be held at 39-43 Murray Road North, Welshpool, Perth WA on 26 November 2018 at 10.00am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 23 November 2018 at 4pm (AWST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 11.

AGENDA

1. Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

3. Resolution 2 – Change of Company Name

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

"That with effect from the date that ASIC alters the details of the Company's registration in accordance with section 157 of the Corporations Act, the name of the Company be changed to Connexion Telematics Ltd."

4. Resolution 3 – Ratification of Issue of Shares

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, ratification be given in respect to the allotment and issue of 109,360,000 Shares by way of a private placement to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) 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.

5. Resolution 4 – Adoption of Performance Rights Plan

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

“That for the purposes of Listing Rule 7.2 Exception 9(b), as an exception to Listing Rule 7.1, and for all other purposes, approval is given for the establishment of the Performance Rights Plan and the grant of Performance Rights (and the issue of Shares on conversion of such Performance Rights), thereunder on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by any person who is eligible to participate in the Plan and their nominees, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

6. Resolution 5 – Approval of grant of Performance Rights to Mark Caruso

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

“That for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Directors to grant 10,000,000 Performance Rights (and issue 10,000,000 Shares on conversion of such Performance Rights) to Mark Caruso (or his nominees) under the Plan and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any director who is eligible to participate in the Plan and their nominees, and any associates of those directors.

However, the Company will not disregard a vote if:

- (a) it is cast by the director as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

7. Resolution 6 – Approval of grant of Performance Rights to Robert Downey

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

“That for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Directors to grant 10,000,000 Performance Rights (and issue 10,000,000 Shares on conversion of such Performance Rights) to Robert Downey (or his nominees) under the Plan and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any director who is eligible to participate in the Plan and their nominees, and any associates of those directors.

However, the Company will not disregard a vote if:

- (a) it is cast by the director as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

8. Resolution 7 – Approval of grant of Performance Rights to Aaryn Nania

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

“That for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the Directors to grant 10,000,000 Performance Rights (and issue 10,000,000 Shares on conversion of such Performance Rights) to Aaryn Nania (or his nominees) under the Plan and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any director who is eligible to participate in the Plan and their nominees, and any associates of those directors.

However, the Company will not disregard a vote if:

- (a) it is cast by the director as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

9. Resolution 8 – Re-Election of Director – Mr Mark Caruso

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

“That Mark Caruso, who retires by rotation in accordance with clause 5.2(c)(i) of the Company’s Constitution and for all other purposes and being eligible, offers himself for re-election, be re-elected as a Director.”

10. Resolution 19 – Re-Election of Director - Mr Aaryn Nania

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

“That Aaryn Nania, who retires in accordance with clause 5.2(c)(ii) of the Company’s Constitution and for all other purposes and being eligible, offers himself for re-election, be re-elected as a Director.”

11. Resolution 10 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of 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.”

A voting exclusion statement is set out below.

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution, except a benefit solely by reason of being a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 12 October 2018

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Peter Torre', with a long horizontal flourish extending to the right.

Peter Torre
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 39-43 Murray Road North, Welshpool, Perth WA on 26 November 2018 at 10.00am (AWST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

1. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

1.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 1 and 5 to 7 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and
- (b) the appointment does not specify the way the proxy is to vote on Resolutions 1 and 5 to 7,

however, the prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if Resolutions 1 and 5 to 7 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

2. Financial Statements and Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.connexionltd.com.

3. Resolution 1: Adoption of Remuneration Report

3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

3.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (Spill Resolution) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (Spill Meeting) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

3.3 Previous voting results

At the 2017 AGM, the votes cast against the remuneration report were less than 25%, accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions Given	No Directions Given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

4. Resolution 2 – Change of Company Name

The Directors have determined to change the Company name to Connexion Telematics Ltd. The Directors are of the view that the proposed name change better reflects the Company's products and potential markets.

Resolution 2 seeks Shareholder approval for the change of name in accordance with section 157 of the Corporations Act.

Resolution 2 is a special resolution.

The change of name of the Company will take effect from when ASIC alters the details of the Company's registration.

5. Resolution 3 – Ratification of Issue of Shares

5.1 Introduction

On 11 September 2018 the Company issued a total of 109,360,000 Shares in a share placement to sophisticated and institutional investors (**Placement**). The Placement raised a total of \$656,160 (before costs) and was completed in accordance with the Company's 15% capacity under Listing Rule 7.1.

Resolution 3 seeks ratification by Shareholders for the issue of 109,360,000 Shares pursuant to the Placement (**Placement Shares**).

The Placement Shares were issued without Shareholder approval and as such Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4.

5.2 Listing Rule 7.4

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Under Listing Rule 7.4 it is possible for shareholders to approve an issue of securities which has already taken place, with the effect that the approved issue will be exempt from being counted towards the portion of the 15% limit that has been used. That is, if Resolution 4 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1

Resolution 3 is an ordinary resolution.

5.3 Specific Information required by Listing Rule 7.5

The following information is provided for the purposes of Listing Rule 7.5:

- (a) The number of Placement Shares the Company issued was 109,360,000 Shares.
- (b) The Placement Shares were issued on 11 September 2018.
- (c) The Placement Shares were issued at an issue price of \$0.006.

- (d) The Placement Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Shares were issued to sophisticated and professional investors none of which are related parties of the Company. The Company will use the funds raised from the Placement for working capital.
- (f) A voting exclusion statement is included in the Notice.

6. Resolution 4 – Adoption of Performance Rights Plan

6.1 General

Resolution 4 seeks Shareholder approval for the establishment of a Performance Rights Plan for the purposes of the Listing Rules and for all other purposes.

Resolution 4 is an ordinary resolution.

The aim of the Plan is to allow the Board to assist eligible persons under the Plan, who in the Board's opinion, are dedicated and will provide ongoing commitment and effort to the Company. Eligible persons are full-time or permanent part-time employees of the Company or a related body corporate (which includes Directors, the company secretary and officers), or such other persons as the Board determines.

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that grants made to eligible persons under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the plan will:

- enable the Company to recruit, incentivise and retain key personnel and other employees needed to achieve the Company's business objectives;
- link the reward of key staff with the achievements of strategic goals and the long-term performance of the Company;
- align the financial interest of participants in the Plan with those of Shareholders; and
- provide incentives to participants in the Plan to focus on superior performance that creates Shareholder value.

This is the first approval sought under Listing Rule 7.2 Exception 9(b) with respect to the Plan. Accordingly, no Performance Rights have previously been granted under the Plan.

The key features of the Plan are as follows:

- The Board will determine (in its sole discretion) the number of Performance Rights to be granted to eligible persons under the plan (or their nominees) and the performance milestones, vesting conditions (if any) and expiry date of such Performance Rights.
- The Performance Rights are not transferable unless the Board determines otherwise, or the transfer is required by law and provided that the transfer complies with the Corporations Act.

- Subject to the Corporations Act and the Listing Rules and restrictions on reducing the rights of a holder of Performance Rights, the Board will have the power to amend the Plan as it sees fit.

A detailed overview of the terms of the Plan is set out in Schedule 2. A copy of the Plan can be obtained by contacting the Company.

6.2 Specific Information Required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided in relation to the Plan:

- (a) The material terms of the Plan are summarised above.
- (a) This is the first approval sought under Listing Rule 7.2 Exception 9 with respect to the Plan.
- (b) No securities have been issued under the Plan.
- (c) A voting exclusion statement has been included for the purposes of Resolution 5.

6.3 Initial grant of Performance Rights

The Company also intends to grant the following Performance Rights under the Plan:

- 10,000,000 Performance Rights to Mark Caruso (or his nominee/s);
- 10,000,000 Performance Rights to Robert Downey (or his nominee/s); and
- 10,000,000 Performance Rights to Aaryn Nania (or his nominee/s).

The above Performance Rights will each convert into a Share for no consideration on exercise by the holder once vested, prior to the expiry date which is 5 years from the date of grant. The Performance Rights will vest upon the closing Share Price reaching A\$0.008 (and remaining at or above A\$0.008 for a period of 5 consecutive trading days.

The Performance Rights will vest immediately on a Change of Control that occurs at an average price per Share greater than \$0.008. The Performance Rights will otherwise have the terms and conditions set out in Schedule 1.

7. Resolutions 5, 6 and 7 – Approval of grant of Performance Rights to Directors

7.1 General

As outlined in Section 7.3, the Company intends to grant a total of 30,000,000 Performance Rights under the Plan to the Directors as long-term incentives in connection with their appointment.

The principal terms of the Plan are summarised in Section 7.

Of those Performance Rights, the Company proposes to grant:

- (a) 10,000,000 Performance Rights to Mark Caruso (or his nominees);

- (b) 10,000,000 Performance Rights to Robert Downey (or his nominees); and
- (c) 10,000,000 Performance Rights to Aaryn Nania (or his nominees).

(collectively **Relevant Directors**)

The above Performance Rights will each convert into a Share for no consideration on exercise by the holder once vested, prior to the expiry date which is 5 years from the date of grant. The Performance Rights will vest upon the closing Share Price reaching A\$0.008 and remaining at or above A\$0.008 for a period of 5 consecutive trading days.

The Performance Rights will vest immediately on a Change of Control that occurs at an average price per Share greater than A\$0.008. The Performance Rights will otherwise have the terms and conditions set out in Schedule 1.

If the issue of Shares on exercise of a Performance Right would breach takeover provisions of the Corporations Act, the Company may delay the issue of the Shares until 10 Business Days following the expiration of the day on which the takeover provisions no longer prevent the issue of the Shares;

Shareholder approval is required for the grant of Performance Rights to the Relevant Directors under Listing Rule 10.14 because they are Directors of the Company.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. Accordingly, the grant of Performance Rights to the Relevant Directors will not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

Resolutions 5, 6 and 7 are ordinary resolutions.

7.2 Chapter 2E of the Corporations Act

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

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

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

The grant of these Performance Rights constitutes giving a financial benefit and Messrs Caruso Downey and Nania are related parties of the Company by virtue of being Directors of the Company.

The Directors, (other than for each of their respective Resolutions for which they have a material personal interest) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights because the agreement to issue the Performance Rights to Messrs Caruso, Downey and Nania under the Performance Rights Plan, is considered reasonable in the circumstances given the level of commitment required from each and their current level of non-executive director remuneration, being \$30,000.

The following further information is provided:

- (a) The Board acknowledges the grant of Related Party Performance Rights to the Relevant Directors is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations with 2014 Amendments (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Performance Rights to these Directors reasonable in the circumstances for the reason set out in paragraph (c).
- (b) The primary purpose of the grant of the Related Party Performance Rights to the Relevant Directors is to compensate them for the unpaid time and effort that they have contributed over the past 12 months to turn the company around and to provide a performance linked incentive component in the remuneration package for the Relevant Directors to motivate and reward the performance of the Relevant Directors in their roles as Directors.
- (c) the grant of Related Party Performance Rights to the Relevant Directors, in particular, the vesting conditions of the Related Party Performance Rights, will align the interests of the Relevant Directors with those of Shareholders and executives of the Company;
- (d) the grant of the Related Party Performance Rights is a reasonable and appropriate method to provide cost effective remuneration to reward the Relevant Directors for their commitment and service to the Company to date and in future periods; and
- (e) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed;
- (f) Mr Caruso declines to make a recommendation to Shareholders in relation to Resolution 5 due to a material personal interest in the outcome of the Resolution on the basis that he is to be granted Performance Rights in the Company should Resolution 6 be passed. However, in respect of Resolution 6 and 7 Mr Caruso recommends that Shareholders vote in favour of this Resolution for the reasons set out in paragraph (a) – (e).
- (g) Mr Downey declines to make a recommendation to Shareholders in relation to Resolution 6 due to a material personal interest in the outcome of the Resolution on the basis that he is to be granted Performance Rights in the Company should Resolution 7 be passed. However, in respect of Resolution 5 and 7, Mr Downey recommends that Shareholders vote in favour of this Resolution for the reasons set out in paragraph (a) - (e).
- (h) Mr Nania declines to make a recommendation to Shareholders in relation to Resolution 7 due to a material personal interest in the outcome of the Resolution on the basis that he is to be granted Performance Rights in the Company should Resolution 8 be passed. However, in respect of Resolution 5 and 6, Mr Nania recommends that Shareholders vote in favour of this Resolution for the reasons set out in paragraph (a) - (e).
- (i) in forming their recommendations, each Director considered the experience of each other Relevant Director, the current market price of Shares, the current market practices when determining the number of Performance Rights to be granted as well as the exercise price and expiry date of those Related Party Performance Rights.

- (j) None of the Relevant Directors voted at a Board level on the respective resolutions to issue their Performance Rights.
- (k) The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 5,6 and 7.

7.3 Specific information required by Listing Rule 10.15

The following information is provided for the purposes of Listing Rule 10.15:

- (a) The maximum number of Securities be issued pursuant to Resolutions 5,6 and 7 are:
 - (i) 10,000,000 Performance Rights to Mark Caruso (or his nominees);
 - (ii) 10,000,000 Performance Rights to Robert Downey (or his nominees); and
 - (iii) 10,000,000 Performance Rights to Aaryn Nania (or his nominees).
- (b) The vesting conditions and expiry date of the Performance Rights to be granted under the Performance Plan are set out in Section 8.1. The principal terms of the Plan are set out in Schedule 2. Further terms and conditions of the Performance Rights are set out in Schedule 1.
- (c) The Performance Rights will be granted for nil consideration as long term incentives for the Relevant Directors. Accordingly, no funds will be raised from the grant of the Performance Rights. Upon conversion of the Performance Rights, Shares will be issued on a one for one basis on the same terms as the Company's existing Shares.
- (d) No Performance Rights have been granted under the Plan to date.
- (e) Under the Plan, only eligible persons or their permitted nominees, are entitled to participate in the Plan. Each of Messrs Caruso Downey and Nania will be an eligible person for the purposes of the Plan following Completion.
- (f) Each of Messrs Caruso, Downey and Nania is a related party of the Company by virtue of being Directors of the Company.
- (g) The Company will grant the Performance Rights no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Performance Rights will be granted on the same date, being the date of Completion.
- (h) A voting exclusion statement is included in the Notice.
- (i) There are no loans provided in relation to the proposed issue of Performance Rights to Messrs Caruso, Downey and Nania

7.4 Shareholder Approval (Section 195 of the Corporations Act)

As the Directors have a material personal interest in the issue of the Performance Rights pursuant to Resolutions 5, 6 and 7, the Company seeks approval under section 195 of the Corporations Act so that the Shareholders may pass a resolution to deal with these matters.

8. Resolution 8: Re- Election of Director – Mark Caruso

8.1 Introduction

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 5.2(a)(i) of the Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting and that Directors appointed by the Board hold office until the next annual general meeting.

8.2 Background

Mr Caruso is a successful executive and entrepreneur with a strong, transferrable business acumen. He has substantial corporate experience driving growth and creating value in small companies. Previously, Mr Caruso was the Chairman of Allied Gold Mining PLC and was responsible for the delivery of the Gold Ridge Project in the Solomon Island and the Simberi Gold Project in Papua New Guinea.

Mr Caruso is the Executive Chairman of Mineral Commodities Ltd.

Due to Mr Caruso's substantial shareholding in the Company, he is not considered to be an Independent Non-Executive Director.

8.3 Recommendation

The Directors of the Company support the election of Mr Caruso and unanimously recommend to all Shareholders that they vote in favour of Resolution 8.

9. Resolution 9: Re-Election of Director – Aaryn Nania

9.1 Background

Aaryn Nania was appointed by the Board to act as a Non-Executive Director as a casual vacancy on 18 September 2018. Mr Nania will retire immediately prior to the Annual General Meeting and, having been nominated by a shareholder of the Company, seeks election as a Non-Executive Director in accordance with rule 5.2(a)(ii) of the Constitution.

Mr Nania is Head of Funds Management at Lucerne Investment Partners – an active, long-term investor in both listed and unlisted companies globally, and a substantial shareholder of CXZ. Prior to co-founding Lucerne, Mr Nania was a Portfolio Manager at Canadian investment bank Canaccord Genuity (Australia) where he founded and managed the Absolute Return Portfolio.

In addition to his directorship at Lucerne, Mr Nania is also a director at Headware - an optometry group, holds a Bachelor of Commerce from the University of Melbourne and is a Member of the Australian Institute of Company Directors.

Due to Mr Nania's substantial shareholding in the Company, he is not considered to be an Independent Non-Executive Director.

9.2 Recommendation

The Directors of the Company support the election of Mr Nania and unanimously recommend to all Shareholders that they vote in favour of Resolution 9.

10. Resolution 10: Approval Of 10% Placement Facility

10.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval (10% Placement Facility).

The exact number of Equity Securities 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 12.3(a) below).

Resolution 10 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).

10.2 Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 10. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

10.3 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

Number of Equity Securities = (A x D) - E

"A" 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 become 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;

(D) less the number of fully paid shares cancelled in the 12 months.

"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 issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

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.

As the date of this Notice, the Company has on issue the following quoted securities:

i) 842,165,112 Shares

As a result, and subject to Shareholders approving Resolution 4, the Company has a capacity to issue:

ii) 126,324,766 Equity Securities under Listing Rule 7.1; and

iii) subject to Shareholders approving Resolution 10, 84,216,511 Equity Securities under Listing Rule 7.1A.

(b) 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 on which trades in that class were recorded 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 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

10.4 Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

(a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded 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 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
- i) the market price for the Company’s Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and
 - ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company’s Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.004 50% decrease in Issue Price	\$0.008 Issue Price	\$0.016 100% increase in Issue Price
Current Variable A	10% Voting Dilution	84,216,511	84,216,511	84,216,511
	Funds Raised	\$336,866	\$673,732	\$1,347,464
50% increase in current Variable A	10% Voting Dilution	126,324,766	126,324,766	126,324,766
	Funds Raised	\$505,299	\$1,010,598	\$2,021,196
100% increase in current Variable A	10% Voting Dilution	168,433,022	168,433,022	168,433,022
	Funds Raised	\$673,732	\$1,347,464	\$2,694,928

The table has been prepared on the following assumptions:

- i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- ii) No Performance Rights, if issued, are exercised into Shares before the date of the issue of the Equity Securities.
- iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

- v) The issue price is \$0.008 being the closing price of the Shares on ASX on 1 October 2018.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility 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).
- (d) The Equity Securities may be issued for the following purposes:
 - i) to raise funds, in which case the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and expenditure on the Company's current assets and/or general working capital; or
 - ii) in consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
 - iii) The effect of the issue of the Equity Securities on the control of the Company.
 - iv) The financial situation and solvency of the Company.
 - v) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

The Company did not obtain Shareholder approval under Listing Rule 7.1A at its 2017 annual general meeting.

The details of all issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting is set out below:

- 109,360,000 Shares issued at \$0.006 per Share on 11 September 2018
- 15,208,377 Shares issued at \$0.01 per Share pursuant to an Entitlement Issue on 29 January 2018
- 100,000 Shares issued at \$0.013 per Share on 30 November 2017.
- 599,673,961 Shares issued at \$0.013 per Share on 27 November 2017.

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 Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

11. Definitions

\$ means Australian Dollars.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors as constituted from time to time.

Chairman means the chairman of this Meeting.

Change of Control means

- (a) the offeror under a Takeover Bid in respect of all Shares has achieved acceptances in respect of more than 50.01% of Shares and that Takeover Bid has become unconditional;
- (b) the announcement by the Company that Shareholders have, at a Court convened meeting of shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement (other than to effect a restructure or redomicile) under which all securities of the Company are to be either:
 - i) cancelled; or
 - ii) transferred to a third party,

and the Court, by order, approves the proposed scheme of arrangement; or

- (c) any person, individually or together with their Associates, acquires a Relevant Interest in 50.01% or more of the total number of Shares on issue by any other means (other than as a result of the transactions contemplated pursuant to the agreement to which these terms and conditions are attached).

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company means Connexion Media Ltd (ACN 004 249 313) to be renamed “Connexion Telematics Ltd”.

Constitution means the current constitution of the Company.

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

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Equity Securities has the meaning given to it in the Listing Rules.

Key Management Personnel means a person 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.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option to acquire a Share.

Performance Rights Plan or **Plan** means the Connexion Media Ltd (to be renamed “Connexion Telematics Ltd”) Performance Rights Plan.

Performance Right means a Performance Right issued under the Plan on the terms and conditions in Schedule 1.

Placement has the meaning given to in Section 5.1.

Placement Shares has the meaning given to in Section 5.1.

Proxy Form means the proxy form attached to the Notice.

Relevant Interest has the meaning given in the Corporations Act.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share, an Option a Performance Share or a Performance Right or any combination of these as the context provides.

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

Shareholder means a shareholder of the Company.

Takeover Bid has the meaning given in the Corporations Act.

VWAP means volume weighted average price.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 Terms and Conditions of Performance Rights

1. Entitlement

Each Performance Right (**Performance Right**) will convert into a Share for no consideration upon exercise of the Performance Right by the holder.

2. Vesting Date and Expiry Date

Each Performance Right will vest (**Vesting Date**) upon the closing Share Price reaching A\$0.008 and remaining at or above A\$0.008 for a period of 5 consecutive trading days.

The **Expiry Date** for each Performance Right will be the date which is 5 years from the date of grant.

3. Exercise Period

Subject to item 3, a Performance Right may only be exercised at any time after the Vesting Date, and prior to the Expiry Date (subject to satisfaction of the applicable service condition set out in that table).

4. Vesting on Change of Control

Notwithstanding the provisions of the Plan, any Performance Rights that have not yet vested will automatically vest upon a Change of Control at an average price greater than \$0.008 per Share (post-Consolidation). For these purposes, **Change of Control** means one or more of the following events occurring (subject to the applicable service condition set out in the table in item (b) being satisfied up until the date of the relevant event):

- (i) the bidder under a takeover bid in respect of all Shares has achieved acceptances in respect of more than 50.01% of Shares and that takeover bid has become unconditional;
- (ii) the announcement by the Company that its Shareholders have, at a court convened meeting of Shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all securities of the Company are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party,and the court, by order, approves the proposed scheme of arrangement; or
- (iii) any person, individually or together with their associates, acquires a relevant interest in 50.01% or more of the total number of Shares on issue by any other means

5. Plan

The Performance Rights are granted in accordance with, and subject to, the Plan.

6. Notice of Exercise

The Performance Rights may be exercised by notice in writing to the Company (**Notice of Exercise**). Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of exercise of that Option as at the date of receipt

7. Shares issued on exercise

Shares issued on exercise of the Performance Rights rank equally with the then Shares of the Company.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options within the period required by the ASX Listing Rules.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

10. Adjustment for bonus issues

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

11. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the number of Shares which must be issued on the exercise of the Performance Rights.

12. Adjustments for reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

13. Quotation of Performance Rights

No application for quotation of the Performance Rights will be made by the Company.

14. Performance Rights not transferable

Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.

15. Deferred Taxation

Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Performance Rights.

Schedule 2 Overview of Performance Rights Plan

Summary of the Performance Rights Plan and terms on which offers of Performance Rights may be made:

- (a) The directors of the Company from time to time, at their discretion, may at any time invite eligible employees to participate in the grant of Performance Rights.
- (b) The eligible employees under the Plan are full time and part time employees (including a director) of the Company and its related bodies corporate or any other person who is declared by the Board to be eligible to receive a grant of Performance Rights under the Plan (**Eligible Employees**). Subject to the Board approval, an Eligible Employee may nominate a nominee to receive the Performance Rights to be granted to the Eligible Employee.

The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

- (c) The Plan is administered by the Directors of the Company, who have the power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with its terms;
 - (ii) resolve conclusively all questions of fact or interpretation in connection with the Plan;
 - (iii) delegate the exercise of any of its powers or discretions arising under the Plan to any one or more persons for such period and on such conditions as the Board may determine; and
 - (iv) suspend, amend or terminate the Plan (subject to restrictions on amendments to the Plan which reduce the rights of a participant of the Plan in respect of any Performance Rights or Shares already granted).
- (d) Performance Rights will be granted for nil cash consideration, unless the Board determines otherwise (which will be no more than a nominal amount).
- (e) No amount will be payable on the exercise of Performance Rights under the Plan.
- (f) The Plan does not set out a maximum number of Shares that may be made issuable to any one person or company.
- (g) The Company must have reasonable grounds to believe that the number of Shares to be issued on exercise of the Performance Rights when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three years under:
 - (i) an employee incentive plan of the Company covered by ASIC Class Order 14/1000; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,does not exceed 5% of the total number of issued Shares at the time the invitation to acquire Performance Rights is made (but disregarding any securities issued as the result of an offer that can be disregarded in accordance with ASIC Class Order 14/1000).
- (h) The Shares to be issued on exercise of the Performance Rights will be issued on the same terms as the fully paid, ordinary shares of the Company and will rank equally with all of the Company's then existing Shares.
- (i) The Performance Rights granted under the Plan will be subject to vesting conditions determined by the Board from time to time and expressed in a written offer made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The vesting conditions may include one or more of (i) service to the Company of a minimum period of time (ii) achievement of specific performance conditions by the participant in the Plan and/or by the Company or (iii) such other

performance conditions as the Board may determine and set out in the offer. The Board determines whether vesting conditions have been met.

- (j) Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specify in the offer to the Eligible Employee.
- (k) Performance Rights will be exercisable by the holder from the date the applicable vesting conditions are satisfied or waived by the Board up to and including the applicable expiry date.
- (l) The vesting conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the offer to the Eligible Employee. Performance Rights will not be listed for quotation. However, the Company will make an application to ASX for official quotation of all Shares issued on exercise of the Performance Rights within the period required by the Listing Rules.
- (m) The Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- (n) If a vesting condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Right will lapse. Unless the Board determines otherwise, an unvested Performance Right will lapse if the holder ceases to be an Eligible Employee for the purposes of the Plan by reason of resignation, termination for poor performance or termination for cause.
- (o) Unless the Board determines otherwise, if the holder of Performance Rights granted under the Plan ceases to be an employee for any other reason other than those reasons set out in paragraph (n), including but not limited to retirement, total and permanent disablement, death, redundancy or termination by agreement, then any Performance Rights which have not lapsed will continue to be held by the holder as if it was still an Eligible Employee, except that any continuous service condition will be deemed to have been waived.
- (p) If, in the opinion of the Board, a holder of Performance rights granted under the Plan acts fraudulently or dishonestly, is in breach of his or her obligations to the Company and its related bodies corporate, has done an act which has brought the Company or any of its related bodies corporate into disrepute, or if the Company becomes aware of a material misstatement or omission in the financial statements in relation to the Company or any of its related bodies corporate, or a holder is convicted of an offence in connection with the affairs of the Company or any of its related bodies corporate or has judgment entered against him or her in any civil proceedings in respect of the contravention of his or her duties at law in his capacity as an employee, consultant or officer of the Company or any of its related bodies corporate, the Board will have the discretion to deem any Performance Rights will lapse.
- (q) If in the opinion of the Board, Performance Rights vested as a result of the fraud, dishonesty or breach of obligations of either the holder or any other person and in the opinion of the Board, the Performance Rights would not have otherwise vested; or the Company is required by, or entitled under, law to reclaim an overpaid bonus or other amount from a holder, then the Board may determine (subject to applicable law) any treatment in relation to the Performance Rights or Shares issued upon exercise of Performance Rights to comply with the law or to ensure no unfair benefit is obtained by the Participant.
- (r) Where there is a transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company (**Change of Control Event**), the Board may in its discretion determine that all or a specified number of the holder's Performance Rights vest and become exercisable or cease to be subject to restrictions (as applicable), although the Board may specify in an offer to a Participant that any additional or different treatment will apply if a Change of Control Event occurs.
- (s) Unless the Board determines otherwise, if a Change of Control Event occurs, any restrictions on dealing imposed on vested Performance Rights will cease to have effect.
- (t) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

- (u) If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the number of Shares which must be allocated on the exercise of a Performance Right.
- (v) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be allocated on the exercise of a Performance Right will be increased by the number of Shares which the Participant would have received if the Performance Right had vested before the record date for the bonus issue.
- (w) If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
- (x) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to Performance Rights issued under the Plan.

