

# DATADOT TECHNOLOGY LIMITED

ACN 091 908 726

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of members of DataDot Technology Limited is to be held:

**Venue:** BDO Boardroom  
Level 11  
1 Margaret St  
Sydney NSW

**Date:** Friday, 24 November 2017

**Time:** 10.00 a.m. AEDT

### BUSINESS OF THE MEETING

#### Financial Statements and Reports

To receive and consider the Financial Statements and Reports of the Directors and Auditor for the financial year ended 30 June 2017.

#### Resolution 1: Remuneration Report

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

*"In accordance with Section 250R of the Corporations Act, the Company adopts the Remuneration Report as set out in the Directors' Report."*

#### Voting Exclusion Statement

The Company will disregard any votes on Resolution 1 by or on behalf of a member of the Key Management Personnel of the Company (including Directors) ("**KMP**"), or their closely related parties. However, the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

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

**Resolution 2: Re-election of Director – Mr Stephe Wilks**

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

*“That Mr Stephe Wilks, who retires as required by Listing Rule 14.5 and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”*

**Resolution 3: Ratification of Issue of 40,316,032 Ordinary Shares**

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

*“That, for the purpose of Listing Rule 7.4, the issue of 40,316,032 Shares to Mr Temogen Hield, Mr David Williams and Mr Steve Delepine on 22 August 2017 at \$0.027 per Share, as further detailed in the Explanatory Memorandum to the Notice of Meeting, is hereby ratified.”*

**Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 3 by Mr Hield, Mr Williams and Mr Delepine or their nominee and any of their associates, other than votes cast:

- (a) by a person as 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 the direction on the proxy form to vote as the proxy decides.

## Other Information

The Explanatory Memorandum accompanies and forms part of this Notice.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Annual General Meeting should consult their financial or legal adviser for assistance.

## Voting by Proxy

Any Shareholder of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. Proxies must be:

- (a) lodged at the Company's share registry, Boardroom Pty Limited; or
- (b) faxed at the fax number specified below,

not later than 10.00 a.m. (Sydney time) on Wednesday 22 November 2017.

<b>Boardroom Pty Limited (hand deliveries)</b>	Boardroom Pty Limited Level 12 225 George St Sydney NSW 2000
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<b>Boardroom Pty Limited (postal deliveries)</b>	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001
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<b>Fax number for lodgment</b>	02 9290 9655
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<b>Online</b>	<a href="http://www.votingonline.com.au/DDTagm2017">www.votingonline.com.au/DDTagm2017</a>
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A form of proxy is provided with this notice.

## Entitlement to Vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 p.m. (Sydney time) on Wednesday 22 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By Order of the Board  
**DataDot Technology Limited**



Patrick Raper  
**Company Secretary**  
24 October 2017

# **DATADOT TECHNOLOGY LIMITED**

**ACN 091 908 726**

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum relates to the Annual General Meeting of the Company to be held in the BDO Boardroom, Level 11, 1 Margaret Street Sydney on Friday, 24 November 2017 at 10.00 a.m. AEDT.

### **Financial Report and Reports of the Directors and Auditor**

This item allows Shareholders the opportunity to consider the Financial Report, Directors' Report and Auditor's Report of the Company. Under Section 317 of the Corporations Act the Company is required to lay these three reports, together comprising the Company's Annual Report, before its Shareholders at its Annual General Meeting.

#### **Resolution 1            Remuneration Report**

Resolution 1 provides Shareholders the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to a vote at the annual general meeting. The Remuneration Report is contained in the Directors' Report.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company, and a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any arrangements in the Remuneration Report.

The Chairman will allow reasonable opportunity for Shareholders to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

#### **Resolution 2:            Re-election of Stephe Wilks**

Listing Rule 14.5 states that a listed company must hold an election of directors each year at its annual general meeting. The Board has determined that Mr Stephe Wilks will retire and, being eligible, stand for re-election.

Accordingly, Mr Wilks retires pursuant to Listing Rule 14.5, and offers himself for re-election.

Mr Wilks joined the Board as a non-executive Director on the 26 February 2016. He has over 25 years' experience in the telecommunications industry both within Australia and overseas.

He has been Regional Director (Asia & Japan) – Regulatory Affairs for BT Asia Pacific, Managing Director of XYZed Pty Ltd (an Optus company) as well as Chief Operating Officer of Nextgen Networks and Personal Broadband Australia. He is currently the Chairman of one of Australia's leading IT companies, Interactive Pty Ltd.

Mr Wilks is a member of the Company's Audit and Risk Management Committee and is the Chairman of the Remuneration and Nomination Committee.

The Board, other than Mr Wilks, recommends the reappointment of Mr Wilks as a director.

### **Resolution 3: Ratification of Issue of 40,316,032 Ordinary Shares**

Resolution 3 seeks to ratify the issue of 40,316,032 Shares to critical Key Management Personnel of the Company, Mr Temogen Hield, Mr David Williams and Mr Steve Delepine ("**Participants**") that occurred on 22 August 2017 in compliance with Listing Rule 7.1. For clarity, none of the Participants are Directors of the Company.

The issue of the 40,316,032 Shares to the Participants forms part of their remuneration packages as a long term incentive ("**LTI**") and as a result the 29 million Options previously issued to Mr Hield and Mr Williams (collectively), as a LTI, have been cancelled. Details of all components of the Participant's remuneration packages were advised to the market on 18 August 2017.

#### **Overview**

Under Listing Rule 7.1 a company must not issue more than 15% of its equity securities in any 12 month period, without the approval of its ordinary shareholders, unless an exception applies in Listing Rule 7.2.

Listing Rule 7.4 allows a company which makes an issue that complies with Listing Rule 7.1 to obtain subsequent Shareholder approval for the issue and so reinstate the company's ability to issue up to 15% of its capital under Listing Rule 7.1. Resolution 3 complies with Listing Rule 7.4 and, if passed, will reinstate the Company's ability to issue up to 15% of its ordinary shares within a 12 month period.

#### **Terms of Issue**

The terms of the issue of the LTI Shares to the Participants are as follows:

<b>Detail</b>	<b>Date</b>	<b>Number of LTI Shares</b>
LTI Shares issued	22 August 2017	40,316,032
Entitlement Date*	22 August 2017	5,375,471
	1 July 2018	13,438,677
	1 July 2019	13,438,677
	1 July 2020	8,063,206
Forfeiture Dates	1 July 2020	16,126,413
	1 July 2021	24,189,619

*\*Note: in the event that there is a change in control of the Company, then the Participants will be immediately entitled to the LTI Shares.*

- (a) The LTI Shares were issued at \$0.027 per LTI Share, with the Company providing an interest free limited recourse loan to the Participants for the issue price of the LTI Shares ("**Loan**").
- (b) The LTI Shares have the same rights as all other Shares other than that they may not be traded, transferred or encumbered prior to the applicable Entitlement Date. On each Entitlement Date the Participants become entitled to that number of LTI Shares specified in the table above ("**Entitled Shares**"), and provided they have repaid the Loan, or part thereof that relates to the number of Entitled Shares, they are able to deal with those Entitled Shares.

- (c) If the Participant ceases to be employed by the Company prior to any Entitlement Date, then that number of LTI Shares to which the Participant would have been entitled on that Entitlement Date may be forfeited.
- (d) The LTI Shares will be forfeited if the Participant ceases to be employed by the Company due to being a 'bad leaver' (that is the Participant voluntarily chooses to leave the Company without prior agreement with the Board to do so, or if terminated for cause), and any LTI shares to which the Participant is not entitled at that time will be forfeited for the total nominal consideration of \$1, with the Company accepting the forfeited LTI Shares in full satisfaction of the Loan (with no further recourse to the Participant for that loan amount).
- (e) If the Participant ceases to be employed by the Company due to being a 'good leaver' (that is medical incapacity, death, resigning or retiring with the consent of the Board, or being terminated by the Company without cause), then the Participant immediately becomes entitled to any LTI shares to which the Participant is not entitled at that time.
- (f) In the event of a change of control of the Company, the Participant will immediately become entitled to all those LTI Shares which they are not yet entitled.
- (g) Any amount outstanding under a Participant's Loan must be repaid by the Forfeiture Date (when the Loan may be called by the Company).
- (h) If the Loan or any part thereof remains outstanding after the Forfeiture Date, then the proportionate number of LTI Shares in respect of the overdue amount will be forfeited by the Participant for the total nominal consideration of \$1.
- (i) In recovering any overdue amount, the Company only has recourse to the LTI Shares.
- (j) It is intended, that any funds raised as a result of repayment of the Loans will be used for the Company's general working capital purposes.
- (k) The Directors have determined that the valuation methodology for the LTI Shares aligns with the valuation methodology of Options by using the Black Scholes model. This valuation model uses inputs including time to expiration, strike price, value of underlying financial instrument, implied volatility and the risk free interest rate.
- (l) For the purposes of this Explanatory Statement, in order to provide an indicative value of the LTI Shares issued to the Participants, by using the Black Scholes model it has been determined that the total Shared Based Payment cost to the Company is \$80,632. The assumptions used by the Company in calculating the value of the LTI Shares were as follows:
 

Share Price:	\$0.005
Issue Price:	\$0.027
Volatility:	105.8%
Vesting Date:	Date of issue
Expiry/Forfeiture date:	3 years from date of issue
Risk Free Rate:	2.41%
Dividends:	Nil
- p) The following table sets out the number of Shares and Options on issue on the day immediately prior to issue of the LTI Shares and cancellation of the Options, and on the day immediately after the issue of the LTI Shares and the cancellation of the Options.

Date	Ordinary Shares	Options
21 August 2017, being the day immediately before issue	770,290,319	50,000,000
23 August 2017, being the day immediately after issue	810,606,351	12,000,000

At the time the Loans are repaid, the Shares in the Company may be trading at a price that is higher than the issue price of the LTI Shares.

- q) It is not considered from an economic and commercial point of view that there are any costs or detriments, including opportunity costs or taxation consequences, for the Company or benefits forgone by the Company that will result from the issue of LTI Shares to the Participants pursuant to Resolution 3.

***Directors' Recommendation***

The Directors recommend that Shareholders vote in favour of Resolution 3.

## **Glossary**

In this Notice and Explanatory Memorandum:

**\$** means Australian Dollars.

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

**Auditor's Report** means the auditor's report in the Financial Report.

**Board** means the board of Directors.

**Chairman** means the person appointed to chair the Meeting convened by this Notice.

**Company** means DataDot Technology Limited (ACN 091 908 726).

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

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

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

**Directors' Report** means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rules** means the listing rules of ASX.

**Meeting** means the annual general meeting to which this Notice relates.

**Notice** means this notice of meeting.

**Option** means option to acquire Shares.

**Proxy Form** means the proxy form attached to the Notice.

**Share** means an ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.