
SKYFII LIMITED

Harnessing big data to help drive customer loyalty and sales.

ASX: SKF

118 Devonshire Street SYDNEY NSW 2010 AUSTRALIA

T +61 2 8188 1188

W www.skyfii.com

ABN 20 009 264 699



28 October 2015

Market Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
Sydney NSW 2000

SkyFii 2015 Annual General Meeting

Please find attached Notice of Meeting and Proxy Form pertaining to the SkyFii 2015 Annual General Meeting.

Yours faithfully
SkyFii Limited

A handwritten signature in black ink, appearing to read "H Roberts", is written over a horizontal line.

Heath Roberts
Company Secretary

For personal use only

NOTICE OF 2015 ANNUAL GENERAL MEETING

Notice is given that the 2015 Annual General Meeting of the shareholders of SkyFii Limited (**Company**) to which this Notice relates will be held at 10.00am (AEDT) on Friday, 27 November 2015 at Level 40, 2 Park St, SYDNEY NSW 2000.

This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum.

1.1 Voting Eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the 2015 Annual General Meeting are those that are registered shareholders at 10.00am (AEDT) on 25 November 2015.

1.2 Voting In Person

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

1.3 Voting by Proxy

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

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

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

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2012 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that 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); and
- (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; and
- (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).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) 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.

AGENDA

1 Remuneration Report

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Company's Annual Financial Report for the financial year ended 30 June 2015."

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

Voting Prohibition Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on this resolution by Key Management Personnel and any Closely Related Party of any Key Management Personnel as those terms are defined in section 9 of the Corporations Act. However, the Company need not disregard a vote if:

- (a) it is cast by a person who is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) it is cast by the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the company.

2 Re-election of a Director – Mr Gary Flowers

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

"That, for the purposes of the Company's Constitution and for all other purposes, Mr Gary Flowers, who was appointed to the Board on 27 November 2014 and who retires in accordance with the Company's Constitution, and being eligible, is re-elected as a Director."

3 Re-election of a Director – Mr Andrew Johnson

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

“That, for the purposes of the Company's Constitution and for all other purposes, Mr Andrew Johnson, who was appointed to the Board on 27 November 2014 and who retires in accordance with the Company's Constitution, and being eligible, is re-elected as a Director.”

4 Re-election of a Director – Mr Chris Taylor

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

“That, for the purposes of the Company's Constitution and for all other purposes, Mr Chris Taylor, who was appointed to the Board on 27 November 2014 and who retires in accordance with the Company's Constitution, and being eligible, is re-elected as a Director.”

5 Re-election of a Director – Mr Anthony Dunlop

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

“That, for the purposes of the Company's Constitution and for all other purposes, Mr Anthony Dunlop, who was re-appointed to the Board on 27 November 2014 and who retires in accordance with the Company's Constitution, and being eligible, is re-elected as a Director.”

6 Approval of Issue of Shares under the Company's Employee Share Plan (ESP)

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)), the Company's Constitution and for all other purposes, shareholders approve the issue of shares under the Company's Employee Share Plan.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 6 by a director of the entity (except one who is ineligible to participate in any employee incentive scheme in relation to the entity) and any associates of such a person.

However, the Company will not disregard a vote if:

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

7 Approval of Issue of ESP Shares to a Director – Mr Wayne Arthur

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 10.14, the Company's Constitution and for all other purposes, the issue of 600,000 shares under the terms of the Company's Employee Share Plan to Mr Wayne Arthur is hereby approved.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 7 by any director who is eligible to participate in the Company's Employee Share Plan and any associates of those persons.

However, the Company will not disregard a vote if:

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

8 Approval of Additional Placement Capacity

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

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

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 8 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

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

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders in connection with the Annual General Meeting of shareholders to be held 10.00am (AEDT) on Friday, 27 November 2015 at Level 40, 2 Park St SYDNEY NSW 2000.

1 Resolution 1 – Adoption of Remuneration Report

1.1 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. Such a resolution is advisory only and does not bind the Directors or the Company.

Under the Corporations Act, if at least 25% of the votes cast on this resolution are voted against adoption of the Remuneration Report at the 2015 Annual General Meeting, and then again at the Company's 2016 Annual General Meeting, the Company will be required to put to shareholders a resolution proposing the calling of a general meeting to consider the appointment of Directors of the Company (Spill Resolution).

If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (Spill Meeting) within 90 days of the Company's 2016 Annual General Meeting. All of the Directors who were in office when the Company's 2016 Directors' Report 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 is approved will be 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 the financial year ending 30 June 2015.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the 2015 Annual General Meeting.

1.2 Proxy restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Parties of that member on how to vote on this Resolution, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution.

1.3 Definitions

Closely Related Party of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations*

Regulations 2001 (Cth).

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Remuneration Report means the remuneration report set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2015.

2 Resolutions 2 to 5 inclusive – Re-election of Directors

The Company's Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified in the Company's Constitution.

Messrs Flowers, Johnson and Taylor were appointed on this basis on 27 November 2014 and, in accordance with the Company's Constitution, holds office only until the 2015 Annual General Meeting and are then eligible for re-election.

Mr Anthony Dunlop, who was re-elected to the Board on 27 November 2014, retires by rotation at the 2015 Annual General Meeting of the Company and is eligible for re-election.

The personal details of each of Messrs Flowers, Johnson, Taylor and Dunlop are provided in the Company's 2015 Annual Report, which was released to ASX on 21 August 2015 and is available on the Company's website at <http://www.skyfii.com>

The Board recommends the re-election of Mr Flowers (Mr Flowers abstaining).

The Board recommends the re-election of Mr Johnson (Mr Johnson abstaining).

The Board recommends the re-election of Mr Taylor (Mr Taylor abstaining).

The Board recommends the re-election of Mr Dunlop (Mr Dunlop abstaining).

3 Resolution 6 – Approval of Issue of Shares under the Company's Employee Share Plan (ESP)

The Directors have adopted an Employee Share Plan (ESP) that provides an equitable, effective method to deliver equity based remuneration to Directors, executives and staff as part of an overall remuneration package with fixed, short term and long term incentive elements. In order for the issue of shares under the ESP to fall within Listing Rule 7.2 (Exception 9(b)) – with the effect that the shares so issued do not reduce the Company's '15% placement capacity' under Listing Rule 7.1, share issues pursuant to the ESP must be approved by shareholders and the following information provided to shareholders.

In the event shareholders approve this Resolution 6, the approval will apply for a period of three (3) years following the approval.

3.1 Summary of the Terms of the ESP

- the Board may invite a person who is employed or engaged by or holds an office with the Group (whether on a full or part-time basis) and who is declared by the Board to be eligible to participate in the ESP from time to time (**Eligible Employee**) to apply for fully paid ordinary shares under the plan from time to time (**ESP Shares**);

- invitations to apply for ESP Shares are to be made on the basis of the market price per share defined as the volume weighted average price at which the Company's shares have traded during the 30 days immediately preceding the date of the invitation;
 - invitations to apply for ESP Shares under the ESP will be made on a basis determined by the Board (including as to the conditionality on the achievement of any key performance indicators) and notified to Eligible Employees in the invitation, or if no such determination is made by the Board, on the basis that ESP Shares will be subject to a 3 year vesting period, with:
 - 33% of ESP Shares applied for vesting on the date that is the first anniversary of the issue date of the ESP Shares;
 - 33% of ESP Shares applied for vesting on the date that is the second anniversary of the issue date of the ESP Shares; and
 - 34% of ESP Shares applied for vesting on the date that is the third anniversary of the issue date of the ESP Shares.
 - Eligible Employees who accept an invitation (**ESP Participants**) may be offered an interest free loan from the Company to finance the whole of the purchase of the ESP Shares they are invited to apply for (**ESP Loan**). ESP Loans will have a term of 5 years and become repayable in full on the earlier of:
 - the fifth anniversary of the issue date of the ESP Shares; and
 - if the ESP Participant ceases to be an Eligible Employee, either:
 - the fifth anniversary of the issue date of the ESP Shares, if the Eligible Employee is a good leaver (as defined in the ESP); or
 - that date of cessation, if the Eligible Employee is a bad leaver (as defined in the ESP).
 - if the ESP Participant does not repay the outstanding ESP Loan, or it notifies the Company that it cannot, then such number of ESP Shares that equal by value (using the price at which the ESP Shares were issued) the outstanding amount of the ESP Loan will become the subject of a buy-back notice from the Company which the ESP Participant must accept. The buy-back of such number of ESP Shares will be considered full and final satisfaction of the ESP Loan and the Company will not have any further recourse against the ESP Participant;
 - any dividends received by the ESP Participant whilst the whole or part of the ESP Loan remains outstanding must be applied to the repayment of the ESP Loan;
 - the maximum number of ESP Shares for which invitations may be issued under the ESP together with the number of ESP Shares still to be issued in respect of already accepted invitations and that have already been issued in response to invitations in the previous 5 years (but disregarding ESP Shares that are or were issued following invitations to non-residents, that did not require a disclosure document under the Corporations Act, or that were issued under a disclosure document under the Corporations Act) must not exceed 10% of the total number of ordinary shares on issue in the Company at the time the invitations are made;
 - in the event of a corporate reconstruction, the Board will adjust, subject to the Listing Rules (if applicable), any one or more of the maximum number of shares that may be issued under the ESP (if applicable), the subscription price, the buy-back price and the number of ESP Shares to be vested at any future vesting date (if applicable), as it deems appropriate so that the benefits conferred on ESP Participants after a corporate reconstruction are the same as the benefits enjoyed by the ESP Participants before the corporate reconstruction. On conferring the benefit of any corporate reconstruction, any fractional entitlements to shares will be rounded down to the nearest whole share;
 - ESP Participants will continue to have the right to participate in dividends paid by the Company despite some or all of their ESP Shares not having vested yet or being subject to an ESP Loan. If an ESP Loan has been made to the ESP Participant, then any dividend due must first be applied to reducing any outstanding ESP Loan amount applicable to the ESP Shares on which the dividend is paid;
 - ESP Shares which have not vested and/or are subject to repayment of the ESP Loan will be restricted (escrowed) from trading;
 - the Company may buy-back at the issue price any ESP Shares which:
 - have not vested, or are incapable of vesting at any time (including as a result of the ESP Participant failing to meet any key performance indicators on which vesting of ESP Shares is conditional); or
 - remain in escrow and/or are the subject of an ESP Loan, on the occurrence of:
 - the ESP Participant ceasing to be an Eligible Employee (unless the Board, in its sole and absolute discretion determines otherwise, subject to any conditions that it may apply, including the repayment of any outstanding ESP Loan); or
 - the expiration of the term of the ESP Loan.
 - any bonus securities issued in relation to ESP Shares which remain unvested or are subject to an ESP Loan which becomes repayable in full will be the subject of a buy-back by the Company at the issue price for no consideration;
 - on the death or permanent disability of an ESP Participant, all ESP Shares held by the ESP Participant or their estate will immediately vest subject to the repayment of any outstanding ESP Loan by the curator, executor or nominated beneficiary(ies) (as the case may be) within 30 days of their appointment (or such longer period as the Company in its discretion may allow). Failing such repayment, the Company will buy-back all ESP Shares in respect of which there is an outstanding ESP Loan;
 - the rules of the ESP and any amendment to the rules of the ESP must be in accordance with the Listing Rules and the Corporations Act;
 - if, while the Company's shares are traded on the ASX or any other stock exchange, there is any inconsistency between the terms of the ESP and the Listing Rules, the Listing Rules will prevail; and
 - the ESP is governed by the laws of the State of New South Wales, Australia.
- 3.2 Number of Shares Issued Under the ESP since the Last Approval**
- The ESP has only now been adopted by the Board and there have been no previous issues of Shares under the ESP.
- The number of shares proposed to be issued under the ESP for the 2015/2016 year is 4,700,000. This number of shares was recommended to the Board by the Company's Nomination and Remuneration Committee after receipt of external advice and as part of an overall

fixed, short term incentive and long term incentive review process. As noted earlier, in the event shareholders approve this Resolution 6, the approval will apply for a period of three (3) years following the approval.

4 Resolution 7 – Approval of Issue of ESP Shares to a Director – Mr Wayne Arthur

Mr Wayne Arthur is Managing Director and CEO of the Company.

It is proposed that, subject to shareholder approval, Mr Arthur be issued 600,000 shares under the terms of the Company's Employee Share Plan (ESP). The 600,000 shares proposed to be issued to Mr Arthur form part of the 4,700,000 ESP shares referred to in Resolution 6 (above), which also set out a summary of the terms of the ESP.

Separate shareholder approval is required for any proposed issue of equity securities (in this case, ESP Shares) to a Director.

For the purposes of Listing Rule 10.15 the following additional information is provided:

- Mr Arthur is a Director of the Company.
- Mr Arthur will be issued a maximum of 600,000 shares under the terms of the Company's ESP. Directors may issue up to but not exceeding 10% of the Company's shares at any given time as shares under the ESP.
- Each share acquired under the ESP shall be priced at the 'market price' per ESP share, that term defined as the volume weighted average price at which the Company's shares have traded during the 30 days immediately preceding the date of the invitation to participate in the ESP offer.
- No persons referred to in Listing Rule 10.14 have previously received ESP shares.
- The names of all persons referred to in Listing Rule 10.14 entitled to participate in the ESP are Messrs Gary Flowers, Wayne Arthur, Anthony Dunlop, Andrew Johnson, James Scott and Chris Taylor.
- The details of the ESP Loan which may be offered by the Company to ESP Participants are set out above.
- The shares to be issued to Mr Arthur under the ESP will be issued on or around 27 November 2015, but in any event within 12 months of the Company's 2015 Annual General Meeting.

5 Resolution 8 – Approval for Additional Placement Capacity

5.1 General

Listing Rule 7.1A enables eligible entities to issue 'Equity Securities' up to 10% of their issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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 capitalisation of \$300 million or less. SkyFii is an eligible entity and is now seeking shareholder approval by way of a **special resolution** to have the ability to issue Equity Securities under the 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 below). SkyFii may use the 10% Placement Facility to raise working capital, acquire new business assets or investments or accelerate development and marketing plans.

5.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of the Notice, SkyFii has only one class of Equity Securities, being Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

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

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- 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;
- less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue (or since the date of quotation if less than 12 months) that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades 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.

(f) 10% Placement Period

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

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

The effect of Resolution 8 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 8 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).

5.3 Specific information required by Listing Rule 7.3A

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

- (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 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) If Resolution 8 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; 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 the Equity Securities are issued as part of consideration for the acquisition of a new asset or for services delivered to the Company,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing shareholders of the Company issues shares pursuant to the 10% Placement Facility. The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Dilution	Dilution	Dilution
		\$0.085 50% decrease in Issue Price	\$0.17 Issue Price	\$0.34 100% increase in Issue Price
Current Variable 'A' 113,577,613 Shares	10% voting dilution	11,357,761 shares	11,357,761 shares	11,357,761 shares
	Funds raised	\$965,410	\$1,930,819	\$3,861,638
50% increase in current Variable 'A' 170,366,419	10% voting dilution	17,036,642 shares	17,036,642 shares	17,036,642 shares
	Funds raised	\$1,448,114	\$2,896,229	\$5,792,458
100% increase in current Variable 'A' 227,155,226	10% voting dilution	22,715,523 shares	22,715,523 shares	22,715,523 shares
	Funds raised	\$1,930,819	\$3,861,639	\$7,723,278

The table above has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options 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 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.
- (v) 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.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) The issue price is \$0.17.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 8 for the issue of the Equity Securities 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 Company may seek to issue the Equity Securities for the following purposes:
- non-cash consideration for the acquisition business assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - cash consideration. In such circumstances, the Company intends to use the funds raised for general working capital, towards an acquisition of new business assets or investments (including expense associated with such acquisition) and/or acceleration of development and marketing plans.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:

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

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

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. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The following information is provided for the purposes of Listing Rule 7.3A.6.

- Equity securities issued in prior 12 month period: 103,768,185
- Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period: 1,038%

Equity securities issued in prior 12 month period, including: <ul style="list-style-type: none"> date of issue; number issued; class/type of equity security; and summary of terms. 	17/11/2015 - Placement 70,000,000 shares, acquisition of SkyFii Limited and re-listing on ASX, Refer prospectus dated 17 October 2014, nil cash consideration 17/11/2015 - Issue 2,500,000 promoter shares, linked to acquisition of SkyFii Limited and re-listing on ASX, nil cash consideration 17/11/2015 - Issue 17,500,000 re-listing shares, to raise working capital, \$0.20 per share 15/12/2014 – 850,000 shares issued to Directors in-lieu of Directors fees, notional issue price \$0.20 per share, nil cash consideration 16/02/2015 – 100,000 shares issued to a contractor in-lieu of fees, nil cash consideration 19/05/2015 - Issue 12,727,276 shares by way of placement to raise working capital, \$0.22 per share 03/06/2015 – 90,909 shares issued to a contractor in-lieu of fees, nil cash consideration
Names of persons who received securities or basis on which those persons was determined:	17/11/2015 - Placement 70,000,000 shares, SkyFii Limited shareholders 17/11/2015 - Issue 2,500,000 promoter linked to acquisition of SkyFii Limited and re-listing on ASX 17/11/2015 - Issue 17,500,000 re-listing shares, to raise working capital, general public 15/12/2014 – 850,000 shares issued to Directors in-lieu of Directors fees, Gary Flowers, Anthony Dunlop, Andrew Johnson, James Scott 16/02/2015 – 100,000 shares issued to a contractor (service provider) 19/05/2015 - Issue 12,727,276 shares by way of placement to raise working capital, general public 03/06/2015 – 90,909 shares issued to a contractor (service provider)
Price:	Refer above
Discount to market price (if any):	NA
For cash issues	
Total cash consideration received:	\$3,500,000
Amount of cash consideration spent:	\$3,500,000
Use of cash consideration:	Roll-out of the SkyFii business model
Intended use for remaining amount of cash (if any):	NA
For non-cash issues	
Non-cash consideration paid:	N/A
Current value of that non-cash consideration:	N/A



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10.00am (AEDT) on Wednesday, 25 November 2015.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/skyfiiagm2015
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10.00am (AEDT) on Wednesday, 25 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** www.votingonline.com.au/skyfiiagm2015
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **SkyFii Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Level 40, 2 Park St, SYDNEY NSW 2000 on Friday, 27 November 2015 at 10.00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,6 and 7, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1,6 and 7 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1,6 and 7). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of a Director – Mr Gary Flowers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of a Director – Mr Andrew Johnson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of a Director – Mr Chris Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-election of a Director – Mr Anthony Dunlop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Issue of Shares under the Company's Employee Share Plan (ESP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of Issue of ESP Shares to a Director – Mr Wayne Arthur	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date / / 2015