



# Dubber Corporation Limited

ACN 089 145 424

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

11.00am (AEDT) on Wednesday, 28 November 2018

Adina Apartment Hotel Melbourne on Flinders  
'Federation Room'  
88 Flinders Street, Melbourne VIC 3000

The Annual Report is available online at [www.dubber.net](http://www.dubber.net)

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.  
If Shareholders are in doubt as to how to vote, they should seek advice  
from their accountant solicitor or other professional adviser without delay.*

*Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by  
telephone on +61 (0)8 9388 8290.*

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Dubber Corporation Limited will be held at **11.00am (AEDT) on Wednesday, 28 November 2018 at Adina Apartment Hotel, Melbourne on Flinders 'Federation Room' 88 Flinders Street, Melbourne VIC 3000.**

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Statement 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 26 November 2018 at 7.00pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Statement are defined in Schedule 1.

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## AGENDA

### Ordinary Business

#### Annual Report

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To table and consider the Annual Report of the Company for the year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report.

#### Resolution 1 – Adoption of Remuneration Report

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

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, Shareholders approve 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.**

#### Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote in favour of this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the remuneration report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a 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 on a resolution connected with the remuneration of a member of the Key Management Personnel.

## **Resolution 2 – Re-election of Director – Peter Pawlowitsch**

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

*“That, for the purpose of clause 11.3 of the Constitution and for all other purposes, Peter Pawlowitsch, a Director, retires by rotation, and being eligible, is elected as a Director.”*

## **Resolution 3 – Election of Director – Peter Clare**

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

*“That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Peter Clare, a Director appointed to fill a casual vacancy, retires, and being eligible, is elected as a Director.”*

## **Special Business**

### **Resolution 4 – Approval of 10% Placement Facility**

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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 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 issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Statement.”*

#### **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 issue of Equity Securities under this Resolution (except a benefit solely in the capacity of a holder of ordinary securities) or an associate of that person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a 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.

### **Resolution 5 – Adoption of New Constitution**

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

*“That, in accordance with section 136 of the Corporations Act, and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chairman for identification purposes.”*

## **Resolution 6 – Approval of Proportional Takeover Provisions in New Constitution**

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

*“That, subject to Resolution 5 being passed, the proportional takeover provisions in the form of schedule 5 of the new constitution be included in the new constitution for a period of three years commencing from the date of this Meeting.”*

Dated 16 October 2018

**BY ORDER OF THE BOARD**



**Ian Hobson**  
Company Secretary

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# EXPLANATORY STATEMENT

## 1. Introduction

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This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held 11.00am (AEDT) on Wednesday, 28 November 2018 at Adina Apartment Hotel, Melbourne on Flinders 'Federation Room' 88 Flinders Street, Melbourne VIC 3000.

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

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

## 2. Action to be taken by Shareholders

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

### 2.1 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.

### 2.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote in favour of Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy:
  - (i) does not specify the way the proxy is to vote on Resolution 1; and
  - (ii) expressly authorizes the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

### 3. Annual Report

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There is no requirement for Shareholders to approve the Annual Report. Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is online at [www.dubber.net](http://www.dubber.net);
- (b) ask questions or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

### 4. Resolution 1 – Remuneration Report

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Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

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

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Director and Executive Remuneration Act)* which came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 205U and 250Y, amongst others, into the Corporations Act, giving Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that it may result in the re-election of the Board.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole 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 of the Meeting 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, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

## **5. Resolution 2 – Re-election of Director – Peter Pawlowitsch**

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Clause 11.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election.

The Company currently has four Directors and accordingly one must retire.

Peter Pawlowitsch will retire in accordance with clause 11.3 of the Constitution and being eligible, seeks re-election.

Details of Mr Pawlowitsch's background and experience are set out in the Annual Report.

The Board (excluding Mr Pawlowitsch) recommends that Shareholders vote in favour of Resolution 2. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

## 6. Resolution 3 – Re-election of Director – Peter Clare

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Clause 11.12 of the Constitution requires that at a Director appointed by Board as an additional Director pursuant to clause 11.11 holds office until the next annual general meeting of the Company and is then eligible for re-election (but is not to be considered in determining the Directors who are required to retire by rotation at that meeting).

Peter Clare was appointed to the Board on 1 December 2017. Accordingly, he will retire in accordance with clause 11.12 of the Constitution and being eligible, seeks re-election.

Details of Mr Clare's background and experience are set out in the Annual Report.

The Board (excluding Mr Clare) recommends that Shareholders vote in favour of Resolution 3. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

## 7. Resolution 4 – Approval of 10% Placement Facility

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### 7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements in the 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 capitalization of \$300 million or less. The Company is an eligible entity as its market capitalisation is approximately \$61 million (140,079,435 Shares at \$0.44).

The Company 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 Section 7.2 below).

The Company may use the 10% Placement Facility to fund ongoing development.

The Directors of the Company believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

### 7.2 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.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities.



(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 annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

**(A x D) – E**

- A** is number of shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
  - (iii) 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;
  - (iv) 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 issue or agreement to issue 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 7.4**

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

At the date of this Notice, the Company has on issue 140,079,435 Shares and has a capacity to issue:

- (i) 17,011,915 Equity Securities under Listing Rule 7.1; and
- (ii) 14,007,944 Equity Securities under Listing Rule 7.1A.

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.

(e) **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 or 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),

**(10% Placement Period).**

### 7.3 Listing Rule 7.1A

The effect of Resolution 4 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 4 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).

### 7.4 Specific information required by Listing Rule 7.3A

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

- (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 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 4 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 (in the case of Listed Options, only if the Listed Options are exercised). 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 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 the consideration for the acquisition of a new asset,

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

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table shows:

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

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.220	\$0.440	\$0.660
		50% decrease in Issue Price	Current Issue Price	50% increase in Issue Price
140,079,435 <b>(Current)</b>	<b>Shares issued</b>	14,007,944 Shares	14,007,944 Shares	14,007,944 Shares
	<b>Funds raised</b>	\$3,081,748	\$6,163,495	\$9,245,243
210,119,153 <b>(50% increase)</b>	<b>Shares issued</b>	21,011,915 Shares	21,011,915 Shares	21,011,915 Shares
	<b>Funds raised</b>	\$4,622,621	\$9,245,243	\$13,867,864
280,158,870 <b>(100% increase)</b>	<b>Shares issued</b>	28,015,887 Shares	28,015,887 Shares	28,015,887 Shares
	<b>Funds raised</b>	\$6,163,495	\$12,326,990	\$18,490,485

The table 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 (including any Options issued under the 10% Placement Facility) 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 at 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 the Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issue 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. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issued capital as at 16 October 2018 and an issue price of \$0.44, being the closing price of the Shares on ASX on 15 October 2018.

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- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 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 a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
  - (d) The Company may seek to issue the Equity Securities for the following purposes:
    - (i) non-cash consideration for the acquisition of the new 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
    - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under the 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 the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) 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 Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

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

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 29 November 2017. In the 12 months preceding the date of the 2018 Annual General Meeting, the Company issued a total of 30,117,144 Equity Securities, representing 26% of the total number of Equity Securities on issue at 29 November 2017.
- (f) The Equity Securities issued in the preceding 12 month period comprise of the details of these issues are set out in Schedule 2.

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.

## **8. Resolution 5 – Adoption of New Constitution**

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A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 5 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution which is of the type required for a listed public company limited by shares and updated to ensure it reflects the current provisions of the Corporations Act and the Listing Rules.

This will incorporate amendments to the Corporations Act and the Listing Rules since the current Constitution was adopted in 1999.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the proposed constitution in its entirety rather than to amend a multitude of specific provisions in the existing Constitution.

It is not practicable to list all of the changes to the Constitution in this Explanatory Statement and Shareholders are invited to contact the Company if they have any queries or concerns. For this purpose, Shareholders wishing to obtain a copy of the proposed constitution should contact the Company.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

## **9. Resolution 6 – Approval of Proportional Takeover Provisions in New Constitution**

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### **9.1 Background**

The new constitution, the subject of Resolution 5, contains proportional takeover provisions which are set out in schedule 5 of the new constitution.

Resolution 6 seeks Shareholder approval for the proportional takeover provisions to be included in the new constitution with effect from the close of the Meeting, and is a special resolution, requiring approval of 75% of the votes cast by Shareholders entitled to vote on the resolution in order to be passed. Resolution 6 is subject to Shareholders approving the adoption of the new constitution under Resolution 5.

If Resolution 6 is passed, then schedule 5 of the new constitution will have effect as and from the close of the Meeting for a period of three years. After a period of three years, schedule 5 would cease to apply unless renewed by a further special resolution of Shareholders.

Section 648G(5) of the Corporations Act requires certain information to be included in a notice of meeting where a company seeks the approval of its members to adopt proportional takeover provisions. This information is set out below.

### **9.2 Proportional takeover bid**

A proportional takeover bid is a takeover offer sent to all shareholders of a company, offering to purchase only a specified proportion of each shareholder's shares. If a shareholder accepts, the shareholder disposes of that specified portion of shares and retains the balance.

### 9.3 Effects of the proposed proportional takeover provisions

The effects of the proposed proportional takeover provisions in the Company's new constitution are that:

- (a) if a bidder makes a proportional takeover bid for any class of shares in the Company, the Directors must ensure that a general meeting of members of that class is convened where a resolution to approve the bid is voted upon. The vote is decided on a simple majority. The bidder and its associates are excluded from voting on that approving resolution;
- (b) the resolution will be required to be passed in a general meeting before the time stated in section 648D of the Corporations Act, being the 14th day before the last day of the bid period (**approving resolution deadline**); and
- (c) if the approving resolution is:
  - (i) not voted on at the end of the day before the approving resolution deadline, the bid will be taken to have been approved;
  - (ii) put to members and rejected before the approving resolution deadline, the bid cannot proceed and the offer will be taken to have been withdrawn. Any transfers giving effect to takeover contracts for the bid will not be registered and all offers under the takeover bid are taken to be withdrawn and all takeover contracts must be rescinded; or
  - (iii) passed (or taken to have been approved), the transfers must be registered (subject to other provisions of the Corporations Act and the Company's Constitution).

The proportional takeover provisions do not apply to full takeover bids.

### 9.4 Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all of their Shares. By making a proportional bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of not being able to exit their investment in the Company by selling their entire shareholding and consequently being left as a minority shareholder in the Company. The bidder may be able to acquire control of the Company without payment of an adequate control premium.

The proportional takeover provisions allow Shareholders to decide if a proportional takeover bid is acceptable in principle and may assist in ensuring that any proportional takeover bid is appropriately priced. To assess the merits of the proportional takeover provisions, Shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of the proposed provisions.

### 9.5 Advantages and disadvantages

The Corporations Act requires this Explanatory Statement to discuss the advantages and disadvantages for Directors and Shareholders of the proportional takeover provisions which are proposed to be inserted in the new constitution.

The potential advantages for Shareholders of the proportional takeover provisions include the following:

- (a) Shareholders have the right to decide, by majority vote, whether an offer under a proportional takeover bid should proceed. The proposal would enable Shareholders to act

in a cohesive manner and thereby avoid the coercion of Shareholders that arises where they believe the offer to be inadequate, but nevertheless accept through fear that other Shareholders will accept;

- (b) the provisions may assist Shareholders and protect them from being locked in as a minority;
- (c) the existence of the approval machinery in the Company's new constitution may make it more probable that any takeover bid will be a full bid for the whole shareholding of each Shareholder, so that Shareholders may have the opportunity of disposing of all their shares rather than of a proportion only;
- (d) the provisions may increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (e) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under a proportional takeover bid.

The potential disadvantages for Shareholders include the following:

- (a) proportional takeover bids for Shares in the Company may be discouraged;
- (b) Shareholders may lose an opportunity to sell some of their Shares at a premium;
- (c) it is possible that the existence of the provisions might have an adverse effect on the market value of the Company's shares by making a proportional takeover bid less likely and thereby reducing any takeover speculation element in the Share price;
- (d) individual Shareholders may consider that the proportional takeover provisions would restrict their ability to deal with their shares as they see fit; and
- (e) the likelihood of a proportional takeover bid succeeding may be reduced.

## **9.6 Knowledge of any acquisition proposal**

At the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of a substantial interest in the Company.

## **9.7 Right to set aside Resolution**

If Resolution 6 is passed, then within 21 days after the meeting, the holders of at least 10% of the Company's shares have the right to apply to the court to have the Resolution set aside. The court may set aside the Resolution if the court is satisfied in all the circumstances that it is appropriate to do so.

## **9.8 Directors' recommendation**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provisions in the new constitution are in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 6.

## Schedule 1 – Definitions

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In this Notice and the Explanatory Statement:

**\$** means Australian Dollars.

**10% Placement Facility** has the meaning given in Section 7.1.

**10% Placement Period** has the meaning given in Section 7.2.

**AEDT** means Australian Eastern Daylight-Savings Time.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2018.

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

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

**ASX Corporate Governance Principles and Recommendations** means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2010 Amendments (3rd Edition).

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

**Board** means the board of Directors.

**Business Day** means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Melbourne.

**Chair** or **Chairman** means the person appointed to chair the Meeting conveyed by this Notice.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** means Dubber Corporation Limited ACN 089 145 424.

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

**Corporations Act** means the 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.

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



**Explanatory Statement** means the explanatory statement attached to the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of 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** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of annual general meeting.

**Option** means option to acquire a Share.

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

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution contained in the Notice.

**Schedule** means a schedule to this Notice.

**Section** means a section contained in this Explanatory Statement.

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

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

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

**VWAP** means volume weighted average price.

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

## Schedule 2 –Equity Securities issued since 2017 AGM

Date of issue	Number issued	Class/Type of equity security and Summary of terms	Names of persons who received securities or basis on which those persons was determined	Issue Price / Discount	Consideration	
11 December 2017	120,000	Fully paid ordinary shares on exercise of options.	Option holder on exercise of options	Issue price: 25 cents per share. Discount: 33%	Total cash consideration	\$30,000
					Amount of cash consideration spent and description of what consideration was spent on	Working capital
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A
20 December 2017	525,000	Loan funded fully paid ordinary shares.	Director – Gerard Bongiorno	36 cents per share. Discount: 22%	Total cash consideration	N/A
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A
20 December 2017	17,143,572	Fully paid ordinary shares	Placement to sophisticated / institutional investors	35 cents per share Discount: 24%	Total cash consideration	\$6,000,000
					Amount of cash consideration spent and description of what consideration was spent on	\$6,000,000 Business expansion
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A
20 December 2017	3,000,000	Performance Rights	Director – Steven McGovern & senior executives	Nil	Total cash consideration	\$Nil
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$1,380,000 Current value: \$,1200,000
31 January 2018	1,250,000	Fully paid ordinary shares on exercise of options.	Option holder on exercise of options	Issue price: 25 cents per share. Discount: 58%	Total cash consideration	\$312,500
					Amount of cash consideration spent and description of what consideration was spent on	\$312,500 Business expansion
					Intended use for remaining cash consideration	N/A

Date of issue	Number issued	Class/Type of equity security and Summary of terms	Names of persons who received securities or basis on which those persons was determined	Issue Price / Discount	Consideration	
					Non-cash consideration paid and current value of that non-cash consideration	N/A
31 January 2018	4,000,000	2,000,000 unlisted options exercisable at 60c, expiring 31 December 2019 2,000,000 unlisted options exercisable at 80c expiring 31 December 2020	Mila Investment Co. Pty Ltd	Nil Discount: Nil	Total cash consideration	N/A
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	Nil Nil
20 February 2018	300,000	Ordinary shares on exercise of options	Option holders	Issue price: 25 cents per share. Discount:47%	Total cash consideration	\$75,000
					Amount of cash consideration spent and description of what consideration was spent on	Expansion and development of business \$75,000
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A
28 February 2018	600,000	Loan funded fully paid ordinary shares.	Director – Peter Clare	55.5 cents per share. Discount: Nil	Total cash consideration	N/A
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A
1 March 2018	900,000	Fully Paid ordinary shares	ESOP participants	40 cents per share. Discount: Nil	Total cash consideration	N/A
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$360,000 Current value: \$360,000
29 June 2018	850,000	Fully paid ordinary shares on exercise of options.	Option holder on exercise of options	Issue price: 40 cents per share. Discount:5%	Total cash consideration	\$340,000
					Amount of cash consideration spent and description of what consideration was spent on	\$340,000 Business expansion
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	N/A

For personal use only





Dubber Corporation Limited | ABN 64 089 145 424

# AGM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

[ReplaceNoImages]

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

# [HolderNumber]

Holder Number:  
[HolderNumber]

## Vote by Proxy: DUB

Your proxy voting instruction must be received by **11.00am (AEDT) on Monday, 26th November 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>



Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.

### SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

#### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

#### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

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

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

#### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

