Cirralto Limited

ACN 099 084 143

Notice of General Meeting of Shareholders

Date: 24 April 2018

Time: 11:00 am AEST

Place: The Westin Sydney, Meeting Room IV, 1 Martin Place, Sydney NSW

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Cirralto Limited
ACN 099 084 143

Notice of General Meeting

Notice is hereby given that a General Meeting of the shareholders of Cirralto Limited ACN 099 084 143 will be held at The Westin Sydney, Meeting Room IV, 1 Martin Place, Sydney NSW on Tuesday 24 April 2018 at 11:00 am AEST.

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

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

1. Agenda for the Meeting

Resolution 1 - Election of Peter Richards as a Director

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

"That, Peter Richards, having been appointed a Director by a resolution of the Board of Directors on 13 December 2017, offers himself for election pursuant to clause 20.3 of the Constitution and being eligible, is elected as a Director."

Resolution 2 – Approve the issue of 4,500,000 Options to Peter Richards

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

"That, subject to passing of Resolution 1 and for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of 4,500,000 Options in the Company, to Peter Richards, a director of the Company, or his nominee(s), on the terms described in the Explanatory Statement."

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Peter Richards and any of his associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 3 – Approve the issue of 175,439 Options to Shaun Melville

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of 175,439 Options in the Company, to Shaun Melville, a former director of the Company, or his nominee(s), on the terms described in the Explanatory Statement."

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Shaun Melville and any of his associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 4 – Approve the previous issue of 41,400,000 Shares

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

"That for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 41,400,000 Shares, as referred to in the Explanatory Statement, is approved."

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who participated in the issue or received a benefit and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 - Approve the previous issue of 2,600,000 Options

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

"That for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 2,600,000 Options, as referred to in the Explanatory Statement, is approved."

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who participated in the issue or received a benefit and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6 – Approve the previous issue of 13,339,996 Shares

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

"That for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 13,339,996 Shares, as referred to in the Explanatory Statement, is approved."

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any person who participated in the issue or received a benefit and any of their associates. However, the Company need not disregard a vote if:

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

- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7 – Approve the issue 7,500,000 Options to Hartleys Limited

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

"That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to issue up to 7,500,000 Options to Hartleys Limited (or their nominee(s)) as consideration for corporate advisory and capital raising services provided to the company, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 8 – Replacement of Constitution

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 sections 136(2) and 648G 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 Chair for identification purposes."

2. Determination of voting entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognized as a Shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 pm AEST on 20 April 2018.

3. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.

A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company by mail at PO box 305 Fitzroy VIC 3065, by facsimile on + 61 (0) 3 8678 1747, or in person at 1B/205-207 Johnston St Fitzroy VIC 3065 by 11:00 am AEST on 22 April 2018.

A form of proxy accompanies this Notice.

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Cirralto Limited

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Resolution 1 - Election of Peter Richards as a Director

Peter Richards, a Director appointed by a resolution of the Board of Directors in December 2017, and appointed as Chairman in January 2018, retires at this Meeting and offers himself for election as a Director.

Mr Richards is an extremely well qualified independent director who currently sits on the following Boards:

- NSL Consolidated Limited: Non-executive Director
- Emeco Holdings Limited: Chairman and non-executive Director
- Graincorp Limited: Non-executive Director

He has also held executive positions, domestically and internationally, including as Managing Director at Norfolk Group Limited and Managing Director at Dyno Nobel Limited during his career.

Resolution 2 – Approve the issue of 4,500,000 Options to Peter Richards

The Company proposes, subject to the passing of Resolution 1, to issue 4,500,000 Options to Peter Richards and/or his nominee(s) on the terms and conditions set out below. The issue of Options to directors as a form of incentive based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the Company to the commercial benefit of all Shareholders.

The Board believes it is important to offer these Options to continue to attract and maintain highly experienced Board members and executives in a competitive market. In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give financial benefit to a related party of the public company, the public company or entity must:

a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

b) give the benefit within 15 months following such approval,

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

The issue of Options to Mr. Richards constitutes giving a financial benefit and he is a related party by virtue of him being a proposed Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Options to Mr. Richards because the Options will form part of his

remuneration as a non-executive of the Company and the remuneration is reasonable given his circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Peter Richards.

ASX Listing Rule 10.11

Under ASX Listing Rule 10.11, Shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1.

It is proposed that Options be issued to Peter Richards as part of his remuneration as Non-Executive Chairman of the Company.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	4,500,000 Options.
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company and will expire 3 years from the date of issue. The Options will be exercisable at an exercise price of $0.054 at any time on or before the expiry date and will otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice. The 4,500,000 Options vest 12 months from the date of issue, Options not vested will be cancelled if Mr. Richards ceases to act as a director of the Company.
Persons to whom securities will be issued	Peter Richards, a director of the Company, or his nominee(s).
Intended use of funds	No funds will be raised from the issue of Options.

Resolution 3 – Approve the issue of 175,439 Options to Shaun Melville

Resolution 3 seeks prior Shareholder approval for the Company to issue 175,439 Options to Mr. Shaun Melville, a former director of the Company as consideration for director fees payable to Mr. Melville.

Mr. Shaun Melville is considered a related party of the Company as he is a former director of the Company.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give financial benefit to a related party of the public company, the public company or entity must:

a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

b) give the benefit within 15 months following such approval,

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

The issue of Options to Mr. Melville constitutes giving a financial benefit and he is a related party by virtue of him being a former Director of the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Options to Mr. Melville because the Options formed part of his remuneration as a non-executive of the Company and the remuneration is reasonable given his circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Shaun Melville.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Shaun Melville will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	175,439 Options
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).

Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company and will expire 1 year from the date of issue. The Options will be exercisable at an exercise price of $0.057 per Option at any time on or before the expiry date and will otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.
Persons to whom securities will be issued	Shaun Melville, a former director of the Company, or his nominee(s).
Intended use of funds	No funds will be raised from the issue of Options.

Resolution 4 – Approve the previous issue of 41,400,000 Shares

Background

On 5 March 2018, the Company issued 41,400,000 shares without the prior approval of Shareholders pursuant to ASX Listing Rule 7.1 and 7.1A raising approximately $2.6 million.

Resolution 4 seeks Shareholder approval for the previous issues 41,400,000 Shares on 5 March 2018, for the purposes of ASX Listing Rule 7.4 and all other purposes.

ASX Listing Rules 7.1, 7.4 & 7.5

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

ASX Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 and/or 7.1A is treated as been made with approval if each of the following applies:

a) the issue did not breach Listing Rule 7.1 or 7.1A, and

b) the shareholders of ordinary securities subsequently approve the issue.

The issue of 41,400,000 Shares did not breach ASX Listing Rule 7.1 and the Company seeks subsequent Shareholder approval for these issues of Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

If Resolution 4 is approved, the prior issue of 41,400,000 Shares may be treated by the Company as having been made with approval under ASX Listing Rule 7.1. The Company will therefore be able to issue additional equity securities, without the Shares counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.5

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following particulars on the allotment and issue:

Number of securities issued	41,400,000 Shares.

The issue price of securities	$0.063 per Share
Terms of issue	The Shares issued were all fully paid ordinary Shares in the capital of the Company and rank equally with all existing Shares on issue.
Name of allottees or basis on which allottees were determined	The Shares were allotted and issued to sophisticated investors and clients of Hartleys Limited.
Use of funds	Working capital and further product development and commercialization.

Resolution 5 - Approve the previous issue of 2,600,000 Options

Background

On 25 January 2018, the Company issued 2,600,000 Options in consideration for fees payable without the prior approval of Shareholders pursuant to ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder approval for the previous issues 2,600,000 Options on 25 January 2018, for the purposes of ASX Listing Rule 7.4 and all other purposes.

ASX Listing Rules 7.1, 7.4 & 7.5

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

ASX Listing Rule 7.4 provides that an issue of shares made without approval under Listing Rule 7.1 and/or 7.1A is treated as been made with approval if each of the following applies:

a) the issue did not breach Listing Rule 7.1 or 7.1A, and

b) the shareholders of ordinary securities subsequently approve the issue.

The issue of 2,600,000 Options did not breach ASX Listing Rule 7.1 and the Company seeks subsequent Shareholder approval for these issues of Shares for the purposes of ASX Listing Rule 7.4 and all other purposes.

If Resolution 5 is approved, the prior issue of 2,600,000 Options may be treated by the Company as having been made with approval under ASX Listing Rule 7.1. The Company will therefore be able to issue additional equity securities, without the Shares counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

Information required by ASX Listing Rule 7.5

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following particulars on the allotment and issue:

Number of securities issued	2,600,000 Options

The issue price of securities	Options were issued nil consideration.
Terms of issue	Each Option entitles the holder to subscribe for one Share in the Company and will expire on 25 January 2020. Each Option is exercisable at an exercise price of $0.045 at any time on or before the expiry date and were otherwise issued on the terms and conditions set out in 'Annexure A' of this Notice.
Name of allottees or basis on which allottees were determined	The Options were Issued to Mr. Jodet Durak as consideration for fees payable.
Use of funds	No funds were raised from the issue of Options.

Resolution 7 – Approve the issue 7,500,000 Options to Hartleys Limited

General

Shareholder approval is sought for the issue of 7,500,000 Options to Hartleys Limited or their nominee(s) as consideration for corporate advisory and capital raising services provided to the company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 7 will be to allow the Company to issue the Options the subject of Resolution 7 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Information required by ASX Listing Rule 7.3

In compliance with the information requirements of ASX Listing Rule 7.3, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	7,500,000 Options
Date of issue	If Shareholder approval is obtained, the issue of the Shares will occur no later than three months after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Nil.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company and will expire 3 years from the date of issue. The Options will be exercisable at an exercise price of $0.082 at any time on or before the expiry date and will otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.

Persons to whom securities will be issued	The Options will be issued to Hartleys Limited or their nominee(s) as consideration for corporate advisory and capital raising services provided to the company.
Intended use of funds	No funds will be raised from the issue of Options

Resolution 8 – Replacement of Constitution

Pursuant to section 136(2) of the Corporations Act, the Company may modify or repeal its Constitution or a provision of its Constitution by special resolution of Shareholders.

Resolution 8 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new Constitution (**Proposed Constitution**).

The Company's current Constitution was adopted in 2002. Since then, there have been a number of changes to the Corporations Act and the Listing Rules. There have also been significant developments in corporate governance principles and general corporate and commercial practice for ASX listed entities. As a result, the Board proposes that the Company adopt the Proposed Constitution which reflects these changes to the legislation and current market practice.

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

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

(a) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer);

(b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution; and

(c) amending the structure.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website (www.cirralto.com.au) or at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company on +61 3 8678 1746 if they have any queries.

A copy of the Proposed Constitution is available for Shareholders to review and will be available at the Meeting. It will be marked by the Chair at the Meeting in order to identify it as the Constitution approved by Shareholders.

Summary of material proposed changes

(a) **Share Capital**

The Proposed Constitution updates and simplifies the provisions in the existing Constitution around the issue of share capital and removes outdated and irrelevant sections. For example, the Proposed Constitution removes all references to "subscriber Shares" and related provisions and given the Company is a listed technology company, removes the section relating to Shares being issued for the purpose of raising money to defray the expenses of construction of any works or buildings

To align the Proposed Constitution with current market practices and regulations, the Proposed Constitution provides the Directors with broad discretion to issue, allot, grant options and reclassify or convert Shares, subject to the Listing Rules and the Corporations Act.

(b) **Preference Shares**

The existing Constitution provides that the Company has the power to issue preference Shares but it does not address the specific Corporations Act requirements that various aspects of rights attaching to the preference Shares need to be either set out in the Constitution or approved by Shareholders at a general meeting.

The Proposed Constitution addresses the Corporations Act requirements and provides greater detail around rights attaching to preference Shares (such as voting rights and dividend rights), this gives the Company greater flexibility to issue preference Shares if the Board considers it prudent to do so in the future.

(c) **General Meetings**

The amendments to the Constitution seek to simply and update the provisions relating to convening and notifying Shareholders of a general meeting, with all processes outlined being consistent with the Listing Rules and Corporations Act.

The Proposed Constitution gives the Directors the ability to cancel or postpone the holding of the meeting (unless it's a meeting held on the request of members) and provides that a non-receipt of a notice or a receipt of a defective notice does not invalidate any resolution passed at the general meeting.

Further, the Proposed Constitution seeks to modernise the Constitution by including new provisions expressly allowing for electronic lodgement of proxy appointments. The Company is also given the ability to clarify unclear or incomplete instruments appointing proxies and may make amendments to those instruments in accordance with instructions provided by Shareholders. These amendments will better enfranchise Shareholders by giving effect to their voting wishes.

(d) **Proceedings and Voting at a General Meeting**

The Proposed Constitution enhances and modernises the provisions relating to the procedure for voting. For example, the Proposed Constitution contains a provision enabling direct voting. Direct voting is an accessible option following improvements in technology, and includes votes delivered by post, fax, or other electronic means

approved by Directors. Direct voting allows Shareholders to vote without physically attending a meeting by lodging their vote with the Company beforehand. It is different to a proxy vote because it allows the non-attending Shareholder to vote directly and not through a nominee/representative. A direct vote has the same effect as a vote cast in person at a meeting

The Proposed Constitution also contains a more detailed procedure for voting, including detailing the procedure for voting on a poll for partly paid Shares and specifying that a resolution is passed at a general meeting if a simple majority of votes are cast in favour of it (subject to Corporations Act and Listing Rules).

Additionally, the Proposed Constitution includes a prescriptive list of a chairpersons permitted actions in relation to the conduct of a general meeting and who can replace the chairperson if they are absent, unable or unwilling to attend.

(e) **Appointment and Remuneration of Directors**

The Proposed Constitution will provide more comprehensive provisions, particularly around Director retirement and eligibility for election and removes provisions which are no longer relevant to the Company.

The Proposed Constitution will also update the Constitution to include provisions relating to remuneration that are consistent with the Listing Rules. For example, the Proposed Constitution will provide different remuneration options for non-executive Directors (including non-cash options) and that superannuation be included in the total cap on non- executive Directors salaries, to the extent required by the Listing Rules.

(f) **Directors Meetings**

There are a number of proposed amendments in relation to Directors meetings to account for current market practice and developments in technology.

(g) **Dividends and the Distribution and Reduction of Capital**

The Proposed Constitution is updated to reflect amendments to the dividend requirements provided under section 254T of the Corporations Act. This ensures the Proposed Constitution is up to date with current regulation and will therefore provide the Company with the flexibility to pay dividends in the future, should the Company be in a position to pay dividends.

The Proposed Constitution also allows for distributions in relation to a broader range of specific assets (eg units in a trust) and enables the Company to satisfy reduction of capital by an in specie distribution of Shares, debentures, units or other securities.

These types of distributions are increasingly common among listed companies and the proposed enhancements will provide the Company with appropriate capital management flexibility to propose and implement in specie dividends and other distributions and reductions of capital in the future.

The Directors ancillary powers relating to dividends in the current Constitution will be expanded to provide greater certainty around the mechanics of paying in specie dividend.

(h) **Unclaimed Dividends and Other Distributions**

The Constitution contains no provision for dealing with unclaimed dividends or other distributions. The proposed amendments will enable the Directors to reinvest or deal with the monies as they think fit for the benefit of the Company. The amendments also provide for any sum that is less than $100 or residual sum from the reinvestment to be donated to a charity decided by the Board.

The Directors believe that these provisions will benefit the Company and the community.

(i) **Small Holder Facility for Unmarketable Shares**

The Constitution does not adequately provide for the sale of unmarketable parcels of Shares. An unmarketable parcel is a holding worth less than $500. The cost of administration associated with a holding of this size can be burdensome. From a holder's perspective, small holdings of this size can also be difficult or expensive to sell.

The Proposed Constitution will provide a mechanism to allow the Company to direct the sale of unmarketable parcels of Shares, with proceeds of any sale to be paid to the selling Shareholder. This mechanism is sanctioned by the Listing Rules and is common market practice.

(j) **Restricted Securities**

The Proposed Constitution includes provisions relating to Restricted Securities and the disposal of those securities. These provisions are drafted in accordance with the Listing Rules.

(k) **Notice to Shareholders**

The Company is seeking to update notice provisions in the Constitution. The amendments will enable the Company to provide documents electronically (if agreed by Shareholders) and to give notice of meetings to Shareholders who are not able to be contacted, by exhibiting notice at the Company's registered office for 48 hours.

(l) **Proportional Takeover Bid Provisions**

The Proposed Constitution includes a provision whereby, pursuant to section 648G of the Corporations Act, a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders on the terms set out in the Proposed Constitution and in accordance with the Corporations Act.

The proportional takeover provisions will only apply for three years from the date of its adoption unless renewed by Shareholders.

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 their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of the bidder being able to

acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of the proportional takeover provisions

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

(i) Shareholders would have the right to consider a proportional takeover bid proposal and decide by majority vote on whether it should be accepted. This should ensure that the terms of any future proportional takeover bid are structured to be attractive to a majority of the Company's Shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic;

(ii) it may help Shareholders to avoid being locked in as a minority and avoid the bidder acquiring control of the Company without paying adequate control premium (ie not being required to pay for all the Shares on issue);

(iii) it increases Shareholder's bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and

(iv) knowing the view of the majority of Shareholders may help each individual Shareholder to form an opinion on whether to accept or reject an offer under the bid.

The potential disadvantages for Shareholders of the proposed inclusion of the proportional takeover provisions include:

(i) the proportional takeover provision may reduce the likelihood of a proportional takeover bid being successful and, accordingly, proportional takeover bids for Company Shares may be discouraged.

The Board does not perceive the possible disadvantages as justification for not including the proportional takeover provisions in the Proposed Constitution.

Additional Information

The Board unanimously recommends that Shareholders vote in favour of Resolution 8.

Resolution 8 is a special resolution and therefore at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed

The Chair intends to exercise all available proxies in favour of Resolution 8.

Definitions

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

AEST means Australian Eastern Standard time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the listing rules of ASX.

Board means the board of directors of the Company.

Company or **Cirralto** means Cirralto Limited (ABN 67 099 084 143).

Constitution means the constitution of the Company

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Explanatory Statement means the explanatory statement to this Notice.

Meeting means the General Meeting of the Shareholders of the Company to be held on 24 April 2018 to which the Notice of Meeting and Explanatory Statement relate.

Notice or **Notice of General Meeting** means this notice of general meeting of the Company dated 22 March 2018.

Option means an option to acquire a Share

Proposed Constitution has the meaning given in the Explanatory Statement.

Resolution means a resolution referred to in the Notice.

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

Shareholder means a holder of Shares.

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars

Annexure A - Terms and Conditions of Options

a) Each Option entitles its holder to subscribe in cash for one Share.
b) Each Option is exercisable at any time prior to the expiry date by completing an option exercise form and delivering it, together with payment for the number of Shares in respect of which the Option is exercised, to the registered office of the Company. Any Option that has not been exercised prior to the Expiry Date automatically lapses.
c) An Option automatically lapses without any claim against the Company on the occurrence of any of the following events:
    a. upon the bankruptcy, liquidation or winding up of the holder or the happening of any other event that results in the holder being deprived of the legal or beneficial ownership of the Option; or
    b. upon the liquidation or winding up of the Company for any reason other than by the way of members'' voluntary winding up.
    c. upon non-achievement of vesting conditions (if applicable).
d) The Company will not apply for official quotation by ASX of the Options.
e) Subject to the Corporations Act, the ASX Listing Rules, and the constitution of the Company, each Option is freely transferable.
f) Shares issued upon the exercise of the Options will rank pari passu with the Company's existing Shares.
g) The Company will apply for official quotation by ASX of the Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX.
h) The Options will not give any right to participate in dividends unless and until Shares are issued upon exercise of the relevant Options.
i) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the life of the Option. The Company will ensure that holders will be given at least seven business days' notice to allow for the exercise of Options prior to the record date in relation to any offers of securities made to Shareholders.
j) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the rights attaching to the Options or both will be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

If there is any inconsistency between any of the preceding terms and conditions and the ASX Listing Rules, then the ASX Listing Rules prevail to the extent of the inconsistency.

Cirralto Limited | ACN 099 084 143

GM Registration Card

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

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

Appointment of Proxy

Holder Number: [HolderNumber]

STEP 1: Please appoint a Proxy

Appoint a proxy:

I/We being a Shareholder entitled to attend and vote at the General Meeting of the Company, to be held at **11.00am (AEST) on Tuesday, 24 April 2018 at The Westin Sydney, Meeting Room IV, 1 Martin Place, Sydney NSW 2000** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy
or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Voting Direction

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1 Election of Peter Richards as a Director	☐	☐	☐	5 Approve the previous issue of 2,600,000 Options	☐	☐	☐
2 Approve the issue of 4,500,000 Options to Peter Richards	☐	☐	☐	6 Approve the previous issue of 13,339,996 Shares	☐	☐	☐
3 Approve the issue of 175,439 Options to Shaun Melville	☐	☐	☐	7 Approve the issue of 7,500,000 Options to Hartleys Limited	☐	☐	☐
4 Approve the previous issue of 41,400,000 Shares	☐	☐	☐	8 Replacement of Constitution	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

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

Contact Name..... Contact Daytime Telephone..... Date / / 2018

Email Address _____

HOW TO COMPLETE THIS PROXY VOTING FORM

LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11.00am (AEST) on Sunday, 22 April 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Voting Forms can be lodged:

BY MAIL
PO Box 305
Fitzroy VIC 3065

IN PERSON
1B/205-207 Johnston Street
Fitzroy VIC 3065

FAX
+61 (0) 3 8678 1747

YOUR NAME AND ADDRESS

This is your name and address 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 on 1300 288 664 or you may copy this form.

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.

OTHER RESOLUTIONS

Should any resolution, other than those specified in this Proxy Voting Form, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

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.