

DATADOT TECHNOLOGY LIMITED

ACN 091 908 726

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of DataDot Technology Limited (**Company**) is to be held for the purpose of conducting the business of the meeting as itemised.

Venue: BDO Boardroom
Level 11
1 Margaret St
Sydney
New South Wales 2000

Date: Friday, 20 November 2015

Time: 10.00 a.m. (Sydney time)

BUSINESS OF THE MEETING

Financial Statements and Reports

To receive and consider the Financial Statements and Reports of the Directors and Auditor for the financial year ended 30 June 2015.

1 Re-election of Director – Alison Coutts

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

“That Ms Alison Coutts, who retires by rotation in accordance with the Company’s constitution and, being eligible, offers herself for re-election, be re-elected as a Director of the Company.”

2 Ratification of Issue of 20,000,000 Share Options

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

“That, for the purpose of ASX Listing Rule 7.4, the issue of 20,000,000 Options over ordinary Shares in the Company to Mr Temogen Hield on 26 August 2015, as further detailed in the Explanatory Memorandum to the Notice of Meeting, is hereby ratified.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by Mr Hield or his nominee and any of his associates, other than votes cast:

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

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

3 Approval of Employee Share Option Plan

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

“That for the purpose of Listing Rule 7.2 exception 9.2(b) and for all other purposes, the Company’s Employee Share Option Plan, the terms of which are summarised in the Explanatory Memorandum, is hereby approved.”

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme) and any associates of those persons other than votes cast:

- (a) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; and
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

4 Remuneration Report

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

“In accordance with Section 250R of the Corporations Act, the Company adopts the Remuneration Report as set out in the Directors’ Report.”

Voting Exclusion Statement

The Company will disregard any votes on Resolution 4 by or on behalf of a member of the Key Management Personnel of the Company (including Directors) (“**KMP**”), or their closely related parties. However, the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

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

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

Other Information

The Explanatory Memorandum accompanies and forms part of this Notice.

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

Voting by Proxy

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

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

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

not later than 10.00 a.m. (Sydney time) on Wednesday 18 November 2015.

Boardroom Pty Limited (hand deliveries)	Boardroom Pty Limited Level 12 225 George St Sydney NSW 2000
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Boardroom Pty Limited (postal deliveries)	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001
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Fax number for lodgment	02 9290 9655
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Online	www.votingonline.com.au/DDTagm2015
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A form of proxy is provided with this notice.

Entitlement to Vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 p.m. (Sydney time) on Wednesday 18 November 2015. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By Order of the Board
DataDot Technology Limited

Graham Loughlin
Company Secretary
19 October 2015

DATADOT TECHNOLOGY LIMITED

ACN 091 908 726

EXPLANATORY MEMORANDUM

This Explanatory Memorandum relates to the Annual General Meeting of the Company to be held in the BDO Boardroom, Level 11, 1 Margaret Street Sydney on Friday, 20 November 2015 at 10.00 a.m. (Sydney time).

Financial Report and Reports of the Directors and Auditors

This item allows Shareholders the opportunity to consider the Financial Report, Directors' Report and Auditor's Report of the Company. Under Section 317 of the Corporations Act the Company is required to lay these 3 reports, together comprising the Company's Annual Report, before its Shareholders at its Annual General Meeting.

Resolution 1: Re-election of Alison Coutts

Under ASX Listing Rule 14.4 a Director, other than the Managing Director, must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Under Rule 6.4 of the Company's Constitution one-third of the Company's Directors, other than the Managing Director and not including a Director appointed by the remaining Directors, or the number nearest to but not exceeding one-third, must retire after 3 years or at the third annual general meeting following the Director's appointment, unless re-elected.

Resolution 1 provides for the re-election of Alison Coutts as Director of the Company in accordance with Listing Rule 14.4 and Rule 6.4 of the Company's Constitution.

Ms Coutts joined the Board as a non-executive Director on 1 July 2010. She has degrees in Chemical Engineering and Business Administration, a Graduate Diploma in Biotechnology and extensive experience across a number of industry sectors and disciplines. This includes international engineering project management with Bechtel Corporation in the UK, USA and NZ, strategy consulting, management training and organisational structuring with Boston Consulting Group, and executive search with Egon Zehnder. Ms Coutts is formerly Chair of CSIRO's Health Sector Advisory Council. She is currently Executive Chair of NuSep Holdings Limited and an independent, non-executive director of Lanka Graphite Limited. Ms Coutts is a member of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committee.

The Board, other than Ms Coutts, recommends the reappointment of Ms Coutts as a Director.

Resolution 2: Ratification of Issue of 20,000,000 Share Options

Resolution 2 seeks to ratify the issue of 20,000,000 Options over ordinary Shares in the Company that occurred on 26 August 2015.

Overview

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

Listing Rule 7.4 allows a company which makes an issue that complies with Listing Rule 7.1 to obtain subsequent Shareholder approval for the issue and so reinstate the company's ability to issue up to 15% of its capital under Listing Rule 7.1. Resolution 2 complies with Listing Rule 7.4 and, if passed, will reinstate the Company's ability to issue up to 15% capital within a 12 month period.

On 26 August 2015 Mr Temogen Hield was appointed Chief Executive Officer of the Company. For clarity, Mr Hield was not appointed as Director of the Company. The remuneration package agreed to be paid to Mr Hield includes a base salary, a short term incentive (STI) payable on achievement of annual revenue and EBITDA targets and a long term incentive (LTI) tied to the Company's future Share price. Details of all components of the remuneration package were advised to the market on 26 August 2015. It is the LTI component of 20,000,000 Options that is the subject of this resolution.

Consistent with the Company's executive remuneration policy, the purpose of including an LTI component in Mr Hield's remuneration package is to tie a significant proportion of his total remuneration to performance of the Company's Share price, such that the value of the LTI component cannot be realised unless pre-determined milestones in the Company's Share price are achieved.

Terms of Issue

The terms of issue of LTI Options issued to Mr Hield are:

Number of Options: 20,000,000

Issue Price: Nil

Vesting Conditions: Subject to continued employment and the following conditions, vesting will be in three tranches:

Tranche 1

7.5 million Options with an exercise price of 2.7 cents vesting when the Volume Weighted Average Share Price (VWAP) exceeds 5 cents for more than 3 months, and expiring 3 months after vesting;

Tranche 2

7.5 million Options with an exercise price of 2.7 cents vesting when the Volume Weighted Average Share Price (VWAP) exceeds 10 cents for more than 3 months, and expiring 3 months after vesting;

Tranche 3

5 million Options with an exercise price of 2.7 cents vesting when the Volume Weighted Average Share Price (VWAP) exceeds 15 cents for more than 3 months, and expiring 3 months after vesting.

Trading Restriction: Shares issued on exercise of Options will be subject to a holding lock for 12 months from the date of issue.

Expiry 1 July 2018

Use of Funds Exercising the Options will require a cash payment of 2.7 cents per Share to the Company and funds received will be used for working capital.

Resolution 3: Approval of Employee Share Option Plan (ESOP)

Resolution 3 provides Shareholders with the opportunity to vote on the Company's Employee Share Option Plan.

The Listing rules

The Listing Rules generally restrict listed companies from issuing more than 15% of their issued share capital in any 12 month period without shareholder approval. However, there are exceptions to this restriction, one of which states that general Listing Rule requirements for shareholder approval will not apply to an issue under an employee incentive scheme if, within 3 years before the date of the issue, shareholders approve the issue of securities under the scheme as an exception to the rule.

If the ESOP is approved by Shareholders, issues under the ESOP over the next 3 years will fall under this Listing Rule exception.

However, the exception does not apply to Directors and their associates, who are deemed related parties of the Company, and issues to such persons will require separate approval under Listing Rule 10.14.

Purpose of Executive Share Option Plan (ESOP)

The ESOP is an employee incentive scheme within the meaning of ASX Listing Rule 7.2 exception 9. Its broad objective is to assist in the recruitment, reward, retention and motivation of company executives by enabling a component of executives' remuneration packages to be paid in the form of share Options whose value rises or falls in line with the Company's share price.

The Board's policy is to denominate the long-term incentive component (LTI) of executives' remuneration in the form of Options issued under the ESOP, thereby tying the value of the LTI to the Company's Share price and giving executives who meet their key performance measures the benefit of any rise in the Share price.

Until 2010 the ESOP was the Company's only equity-based employee incentive scheme. As a result of adverse changes to the Tax Act in 2009, the ESOP was replaced in 2010 by the Executive Share Rights Plan (ESRP), which offered tax advantages over the ESOP.

As a result of changes to the Tax Act on 1 July 2015, the tax disadvantages previously applicable to Options issued under employee share schemes were largely removed. Specifically, the taxing point for the "discount"¹ in respect of Options issued under the ESOP can now also be deferred for up to 15 years, subject to:

- (a) the Options granted being at a real risk of forfeiture or subject to a disposal restriction;
- (b) the Options being issued under the ESOP;

¹ The "discount" is the difference between the market value of the Options and the price paid by the Optionholder for the Option – which is usually zero. For example, if the Option market value is \$0.01 and the Option is issued for free the discount will be \$0.01, and is taxable to the Optionholder.

- (c) the participant remaining an employee of the Company; and
- (d) If the Options are exercised, the Shares that are issued are subject to a disposal restriction (such as a holding lock).

In view of this change to the Tax Act the Board has decided to revive the ESOP and recommend that Shareholders approve it for the purposes of Listing Rule 7.2 exception 9(b).

Terms of ESOP

The terms of the ESOP are set out in the ESOP Rules. The key elements of the ESOP Rules are as follows:

Grant of Options

The Board may grant Options to employees. The Board will determine which employees are entitled to participate.

Option Entitlement

Each Option gives the Optionholder the right to subscribe for one Share at the Exercise Price.

Exercise Restrictions

The Board will determine whether any performance hurdles or other conditions (including as to time) will be required to be met (**Vesting Conditions**) before the Options which have been issued under the ESOP can vest.

Holding Lock – Disposal Restrictions

The Board may impose a disposal restriction on Options and/or Shares issued to the Optionholder upon exercise of the Options.

Issue Price

Unless otherwise determined by the Board, Options will be issued for nil consideration under the ESOP.

5% Cap

The maximum number of Options that may be issued under the ESOP must, when aggregated with:

- (a) the number of Shares that would be issued if all Options granted under all employee Share option plans of the Company were exercised; and
- (b) the number of Shares issued by the Company during the preceding 3 years under any employee Share plan (including the ESRP) and employee Share option plan,

not exceed 5% of the total number of issued Shares at the time.

Excluded from this calculation are Options that are not issued in reliance of any regulatory relief offered by ASIC, such as:

- (a) an offer to a person situated at the time of receipt of the offer outside Australia; or

- (b) an offer that did not need disclosure to investors because of section 708 of the Corporations Act or was an excluded offer or invitation under the Corporations Law; or
- (c) an offer that did not require the giving of a product disclosure statement (as defined in section 761A of the Corporations Act) because of section 1012D of the Corporations Act; or
- (d) an offer made under a disclosure document (as defined in section 9 of the Corporations Act) or product disclosure statement.

Expiry of Rights

An Option issued to an Optionholder will expire on the earlier of the following:

- (a) the date shown as the expiry date on the face of the Option Certificate;
- (b) the failure of an Optionholder to meet the stated vesting conditions within the prescribed period;
- (c) the date that the employee is dismissed for fraud, defalcation or misconduct;
- (d) the date 7 days after the employee is dismissed or is constructively dismissed for any reason other than a reason specified in (c);
- (e) the date that the employee resigns from the service, if the employee resigns within 2 years after the date of grant;
- (f) the date 7 days after the employee resigns from the service, if the employee resigns more than 2 years after the date of grant;
- (g) the date 3 months after the date the employee retires, if the employee retires upon or after attaining the age of 65 or otherwise with the consent of the Board;
- (h) the date 3 months after the employee is made redundant;
- (i) the date 1 year after the death or total and permanent disability (evidenced to the satisfaction of the Board) of the employee.

Participation in Future Issues

An executive cannot participate in new issues of Shares or other securities unless Shares in respect of Options held by the Optionholder have been issued.

If the Company makes a pro rata bonus issue of Shares or other securities to Shareholders and shares in respect of Options held by an Optionholder have not been issued, then the number of Shares the subject of the Options will be increased pro rata as if they had been issued.

Transfer

Without the prior approval of the Board, Options may not be transferred or encumbered.

Reorganisation

In the event of any reorganisation of the issued ordinary Share capital of the Company, the number of Shares to be delivered in respect of each Option will be reorganised in the manner specified in the Listing Rules as being applicable to options at the time of the reorganisation.

Deferred Tax Scheme

For the purpose of the Tax Act, the ESOP is a deferred tax scheme.

Resolution 4: Remuneration Report

Resolution 4 provides Shareholders the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to a vote at the annual general meeting. The Remuneration Report is contained in the Directors' Report.

Section 250R(3) of the Corporations Act provides that Resolution 4 is advisory only and does not bind the Directors or the Company, and a failure of Shareholders to pass Resolution 4 will not require the Directors to alter any arrangements in the Remuneration Report.

The Chairman will allow 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 4. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 7, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Glossary

In this Notice and Explanatory Memorandum:

\$ means Australian Dollars.

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

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

Board means the board of Directors.

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

Company means DataDot Technology Limited (ACN 091 908 726)

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

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

Director means a director of the Company.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

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

Listing Rules means the listing rules of ASX.

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

Notice means this notice of meeting.

Option means option to acquire Shares.

Optionholder means an employee of the Company who has been granted Options.

Proxy Form means the proxy form attached to the Notice.

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

Shareholder means a shareholder of the Company.

Tax Act means the *Income Tax Act Assessment Act 1997*

Volume Weighted Average Share Price (VWAP) means the ratio of the value of Shares traded to the total volume of Shares traded

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10.00 am (Sydney Time) on Wednesday, 18 November 2015.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/DDTagm2015
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

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

STEP 3 SIGN THE FORM

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

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

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

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

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10.00 am (Sydney Time) on Wednesday, 18 November 2015.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

- 🖥 **Online** www.votingonline.com.au/DDTagm2015
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

Your Address

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

PROXY FORM

STEP 1 APPOINT A PROXY

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

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the **Annual General Meeting of the Company to be held at the BDO Boardroom, Level 11, 1 Margaret St, Sydney, New South Wales 2000 on Friday, 20 November 2015 at 10.00 am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Important note: Exercise of proxies by the Chairman for Resolution 1.

Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of Resolution 1 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my/our proxy even though the Chairman has an interest in the outcome of Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel.

The Chairman of the Meeting will vote all undirected proxies in favour of all Items of business.

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

		For	Against	Abstain*
Resolution 1	Re-election of Director – Alison Coutts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Issue of 20,000,000 Share Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2015