

**TESSERENT LIMITED**  
**ABN 13 605 672 928**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of the members of Tesseract Limited (**Tesseract or Company**) will be held at **BDO, Tower 4, Level 18, 727 Collins Street, Melbourne, Victoria** at 10.30 am AEDT on Wednesday 22 November 2017.

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**BUSINESS**  
**FINANCIAL REPORT**

To receive and consider the Annual Financial Statements, the Directors' Report and Audit Report of the Company and its Controlled Entities for the financial period ended 30 June 2017.

The above documents are contained in the Annual Report. Shareholders who have elected to receive an electronic copy of the Annual Report can download a copy at [www.tesseract.com/tesseract-annualreport](http://www.tesseract.com/tesseract-annualreport). Shareholders who have elected to receive a hard copy of the Annual Report will receive one with this Notice of Meeting.

**RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass the following non-binding resolution:

*That the Remuneration Report contained in the Directors' Report for the financial period ended 30 June 2017 be adopted.*

**Short Explanation**

The Corporations Act requires listed companies to put to Shareholders at the Annual General Meeting a non-binding resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report.

Shareholders will be given an opportunity to ask questions concerning the Remuneration Report at the Annual General Meeting.

As stated, Resolution 1 is non-binding.

**Voting Exclusion Statement**

The Company will disregard any votes cast on the proposed resolution for adoption of the remuneration report by or on behalf of:

- (a) a Key Management Personnel (**KMP**) named in the Remuneration Report; or
- (b) a Closely Related Party of a KMP,

whether the votes are cast as a Shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a KMP or Closely Related Party of a KMP if it is cast as a proxy and it is not cast on behalf of a KMP or a Closely Related Party of a KMP. If the proxy is the Chairman, and the proxy does not specify the way in which the proxy should vote, the Chairman intends to vote in favour of the resolution

**Important for Resolution 1**

**If you are KMP or a Closely Related Party of KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.**

**RESOLUTION 2 - RETIREMENT OF DIRECTORS BY ROTATION AND BY OPERATION OF THE CONSTITUTION**

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

*That, having retired pursuant to the Constitution of the Company, Gregory Baxter be re-elected as a director.*

**Short Explanation**

The Company's Constitution requires one third of the directors (other than the Managing Director) to retire at each Annual General Meeting, being the directors longest in office since being re-elected by Shareholders at the date of the Annual General Meeting. Mr Baxter retires under this rule and offers himself for re-election.

Details of the Directors are contained in the Directors' Report section of the Annual Report.

**RESOLUTION 3 – RATIFICATION OF ISSUE OF SECURITIES**

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

*That in accordance with ASX Listing Rule 7.4, the Company approves and ratifies the issue and allotment of 240,000 Shares to the entity described in Table 1 of the Explanatory Statement.*

**Short Explanation**

Tesserent has issued 240,000 Shares to Karen Negus, on the date set out in the Explanatory Statement, as part of her remuneration. No funds were raised as part of the issue.

Under ASX Listing Rule 7.1, the Board may issue up to 15% of its issued capital without Shareholder approval each 12 months. The Shares described above were issued without Shareholder approval and were within this limit. Under the ASX Listing Rules, the Company can seek Shareholder ratification of an issue made within the 15% limit, and, if given, the effect of the ratification is to deem that the Shares issued were issued with Shareholder approval, meaning that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

The purpose of Resolution 3 is to seek this ratification.

**Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by Karen Negus and any of her 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 if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

A person appointed as a proxy must not vote, on the basis of that appointment of this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

#### **RESOLUTION 4 – APPROVAL OF NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

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

*That, for the purpose of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the Non-Executive Director Fee Conversion Plan, the terms of which are set out in the Explanatory Statement.*

#### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) 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 if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolutions 4 to 7 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolutions 4 to 7 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a related party.

Further, a Key Management Personnel or their associate who is appointed as a proxy will not vote on Resolutions 4 to 7 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolutions 4 to 7; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolutions 4, 6 and 7. As the chair is the subject of Resolution 5 he will not vote undirected proxies concerning that Resolution. In exceptional circumstances, the Chair of the Meeting may change [his/her] voting intention on Resolutions 4 to 7, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolutions 4 to 7 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

#### **RESOLUTION 5 – ISSUE OF SHARES TO RUSSELL YARDLEY UNDER THE NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

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

*That, subject to the approval of Resolution 4 and for the purposes of Listing Rule 10.14 and for all other purposes approval is given for the issue Shares to Mr Russell Yardley (or his nominee) on conversion of Director Fees into Shares in accordance with the Non-Executive Director Fee Conversion Plan, on the terms and conditions set out in the Explanatory Statement.*

#### **Voting Exclusion Statement**

See the Voting Exclusion Statement for Resolution 4.

#### **RESOLUTION 6 – ISSUE OF SHARES TO STEVE BERTAMINI UNDER THE NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

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

*That, subject to the approval of Resolution 4 and for the purposes of Listing Rule 10.14 and for all other purposes approval is given for the issue Shares to Mr Steve Bertamini (or his nominee) on conversion of Director Fees into Shares in accordance with the Non-Executive Director Fee Conversion Plan, on the terms and conditions set out in the Explanatory Statement.*

#### **Voting Exclusion Statement**

See the Voting Exclusion Statement for Resolution 4.

**RESOLUTION 7 – ISSUE OF SHARES TO GREG BAXTER UNDER THE NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

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

*That, subject to the approval of Resolution 4 and for the purposes of Listing Rule 10.14 and for all other purposes approval is given for the issue Shares to Mr Greg Baxter (or his nominee) on conversion of Director Fees into Shares in accordance with the Non-Executive Director Fee Conversion Plan, on the terms and conditions set out in the Explanatory Statement.*

**Voting Exclusion Statement**

See the Voting Exclusion Statement for Resolution 4.

By order of the Board:



Oliver Carton  
Company secretary  
Dated: 6 October 2017

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## NOTES

**IMPORTANT:** Shareholders are urged to direct their proxy how to vote by clearly marking the relevant box for each item on the proxy form.

1. A Member entitled to attend and vote at the Annual General Meeting has the right to appoint a person (who does not need to be a Member) as the Member's proxy to attend and vote at the meeting.
2. A Member who is 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. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise one half of the Member's votes.
3. The proxy form must be signed by the Member or the Member's attorney. Proxies given by corporations must be executed under seal or signed under the hand of a duly authorised officer or attorney.
4. To be valid, the enclosed proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be lodged:
  - (a) at the offices of the Share Registry – Computershare Investor Services Pty. Limited, GPO Box 242, Melbourne, Victoria, 3001, Australia;
  - (b) by faxing it to the Share Registry office on fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia);
  - (c) online: [www.investorvote.com.au](http://www.investorvote.com.au);
  - (d) for Intermediary online subscribers **only** (custodians) - electronically at [www.intermediaryonline.com](http://www.intermediaryonline.com).

not later than 48 hours before the time for commencement of the meeting, being **10.30 am AEDT on Monday 20 November 2017**.

5. A proxy may decide whether to vote on any motion, except where the proxy is required by law, the ASX Listing Rules or the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as they think fit.
6. Amendments to the Corporations Act have been made recently which apply to proxy voting. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this meeting. Broadly, the changes mean that:
  - (a) if proxy holders vote, they must cast all directed proxies as directed; and
  - (b) any directed proxies which are not voted will automatically default to the Chairman of the meeting, who must vote as the proxies as directed.
7. A proxy form accompanies this Notice of Meeting.
8. The proxy form accompanying this Notice of Meeting contains detailed instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the Chairman as his or her proxy. You should read those instructions carefully.

9. By appointing the Chairman of the meeting as your proxy in relation to Resolution 1 you expressly authorise the Chairman to vote in favour of Resolution 1 unless:
  - (a) you direct the Chairman to vote against or to abstain from voting on the resolution; or
  - (b) you are a Member of the key management personnel of the Company and its subsidiaries, details of whose remuneration are included in the remuneration report for the financial period (**KMP**).
10. The Chairman of the meeting intends to exercise all available proxies by voting in favour of all resolutions.
11. A person may attend the meeting under an appointment of corporate representative pursuant to section 250D of the Corporations Act or Power of Attorney only if a copy of that duly executed appointment or Power of Attorney is lodged with the Share Registry or produced prior to the commencement of the meeting.
12. The Company has determined that a person's entitlement to vote at the Annual General Meeting will, in accordance with the Corporations Act, be the entitlement of that person set out in the register of Shareholders as at 7:00 pm (AEDT) on Monday 20 November 2017. This means that any Shareholder registered at 7:00 pm (AEDT) on Monday 20 November 2017 is entitled to attend and vote at the Annual General Meeting.
13. Shareholders or their attorneys wishing to vote in person should attend the Annual General Meeting.
14. Attorneys should bring with them the original or a certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting, unless it had already been provided to the Share Registry.

## **EXPLANATORY STATEMENT**

### **INTRODUCTION**

The purpose of this Explanatory Statement is to provide Shareholders with an explanation of the business of the meeting and the Resolution proposed to be considered at the Annual General Meeting.

### **1 FINANCIAL STATEMENTS AND REPORT**

At the Annual General Meeting, Shareholders will be given an opportunity to ask questions and comment on the Directors' Report, Financial Statements and Independent Auditor's Report for the financial period ended 30 June 2017.

Shareholders who have elected not to receive a hard copy of the Company's 2017 Annual Report can view or download a copy from the Company's website at [www.tesseract.com.au](http://www.tesseract.com.au)

The Company's auditors will be present at the meeting and be available to answer questions as to the conduct of the audit and the auditor's report.

### **2 RESOLUTION 1 – REMUNERATION REPORT**

In accordance with section 250R(2) of the Corporations Act, listed companies are required to put to Shareholders at the Annual General Meeting a non-binding resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report.

As stated the resolution is non binding however if at least 25% of the votes cast on the resolution at the Annual General Meeting are against adoption of the report, then there are the following consequences. The Corporations Act was amended in June 2011 to introduce the "two-strikes" rule. The two strikes rule provides that if at least 25% of the votes cast (excluding KMP and their Closely Related Parties) on the adoption of the remuneration report at two consecutive AGMs are against adopting the remuneration report, members will have the opportunity to vote on a Spill Resolution.

A Spill Resolution is a resolution that a separate meeting be called where all Directors other than the Managing Director retire and can be re-elected.

The Directors recommend that all Shareholders vote in favour of the Remuneration Report.

As stated the Company will disregard any votes cast on the proposed resolution for adoption of the remuneration report by or on behalf of:

- (a) a KMP; or
- (b) a Closely Related Party of a KMP.



### **3 RESOLUTION 2 - RETIREMENT OF DIRECTORS BY ROTATION AND BY OPERATION OF THE CONSTITUTION**

The Tesseract Constitution requires directors appointed during the year to retire and offer themselves for election at the first AGM following their appointment. The Constitution also requires one third of Directors, other than the Managing Director, rounded to the nearest whole number, to retire at each Annual General Meeting. Those directors are eligible to be elected by Shareholders.

No Directors were appointed during the year. The Director who retires by rotation is Gregory Baxter.

The details and experience of are set out in the Directors' Report section of the Annual Report.

The Directors recommend that all Shareholders vote in favour of these resolutions. The Chairman intends to vote open proxies in favour of it.

### **4. RESOLUTION 3 – RATIFICATION OF ISSUE OF SECURITIES**

#### **4.1 Summary of proposal**

On 29 June 2017 the Company issued 240,000 Shares to Karen Negus as part of her remuneration package. Karen is Head of Sales and Marketing and a senior employee of the Company. The Board believes that issuing Shares as part of Karen's remuneration further aligns her interests with those of Shareholders. The Board therefore recommends that Shareholders ratify the issue of Shares.

This resolution seeks ratification of the issue of Shares under the Placement for the reasons set out in paragraph 4.2(a) below.

#### **4.2 Listing Rule requirements for Resolution 3**

##### **4.2(a) ASX Listing Rule 7.4**

Listing Rule 7.4 enables the Company to ratify an issue of Shares made without prior Shareholder approval under Listing Rule 7.1 if:

- (a) the issue of Shares did not breach Listing Rule 7.1; and
- (b) Shareholders subsequently approve the issue of those Shares by the Company.

In general terms, Listing Rule 7.1 allows the Company to issue up to 15% of its issued capital without the need for approval from Shareholders, with some exceptions. Under the ASX Listing Rules, Tesseract can seek Shareholder ratification of an issue made within the 15% limit, and, if given, the effect of the ratification is to deem that the Shares issued were issued with Shareholder approval, meaning that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

The Placement was within the Company's capacity under ASX Listing Rule 7.1. The Placement therefore did not breach Listing Rule 7.1. The Directors seek approval and ratification from Shareholders under Listing Rule 7.4 for the issue of the Shares set out in the table below.

#### **4.2(b) ASX Listing Rule 7.5**

ASX Listing Rule 7.5 lists information which must be contained in the Notice of Meeting and Explanatory Statement where Shareholders will consider a resolution under ASX Listing Rule 7.4. This information is set out below:

**Table 1**

<b>Maximum No of Shares</b>	240,000 Shares
<b>Issue Date</b>	29 June 2017
<b>Issue price per Share</b>	Nil
<b>Allottee</b>	Karen Negus
<b>Terms of the Shares</b>	The Shares are fully paid ordinary shares in the Company and rank equally with existing Shares on issue.
<b>Use or intended use of funds raised</b>	No funds were raised, the Placement was made as part of a remuneration package
<b>Allotment Date</b>	29 June 2017

#### **4.3 Director recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4. The Chairman of the Meeting intends to vote any undirected proxies (for which he has been appointed as proxy for the Meeting) in favour of it.

#### **4.4 Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 4 by Karen Negus, or any associate of Karen Negus. However, the Company need not disregard a vote if:

- (a) 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
- (b) 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.

## **5. RESOLUTION 4 – APPROVAL OF NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

### **5.1 Summary of proposal**

The Directors propose to obtain Shareholder approval to implement the Non-Executive Director Fee Conversion Plan (**Plan**) to allow Directors to convert some or all of their accrued fees into Shares. A summary of the terms of the Plan are set out in Annexure A.

### **5.2 Listing Rule requirements for Resolution 4**

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any rolling 12 month period. An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9(b)) which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder approval for the adoption of the Plan in accordance with Exception 9(b) of ASX Listing Rule 7.2. If Resolution 5 is passed, the Company will be able to issue Shares under the Plan without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Plan and the objective of the Plan is to provide Directors with the ability to elect to receive Shares in lieu of accrued fees owed to them by the Company. The Board considers that this Plan will motivate and retain Directors and increase profitability and returns to Shareholders.

As all the Participants under the Plan are or will be related parties to the Company, no securities will be issued under the Plan without first obtaining shareholder approval under Listing Rule 10.14.

## **6. RESOLUTIONS 5 TO 7 – ISSUE OF SHARES UNDER NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN**

### **6.1 Summary of proposal**

As set out in Resolution 4, the Board has agreed to seek Shareholder approval to allow Non-Executive Directors to convert all or a portion of directors' fees owed by the Company into Shares under the Plan.

If approved the Company will allot and issue up to a maximum of 5,000,000 Shares (subject to adjustment by any share consolidation or split) to the Non-Executive Directors named in Resolutions 5 to 7 (**Participants**) during the 3 year period commencing from the date of this Annual General Meeting.

The actual number of Shares to be acquired by the Participants under the Plan will be determined by the Participants' election to convert all or a portion of directors' fees owed by the Company into Shares divided by the issue price of the Shares at the Conversion Date.

The issue price of the Shares shall be calculated on the basis of the weighted average trading price of Shares on ASX during the 5 trading days immediately preceding each Conversion Date. The issue of Shares under the Plan will be in full and final satisfaction of the Company's obligation to pay that portion of directors' fees that are subject to the Participant's election to convert.

As at the date of this Notice the following directors' fees are paid to the Participants:

<b>Director</b>	<b>Annual Fee</b>
Russell Yardley	\$90,000
Steve Bertamini	\$45,000
Greg Baxter	\$45,000

There are no accrued fees as at the date of this Notice of Meeting. The first Conversion Date is expected to be 30 April 2018, subject to the Board's discretion to change Conversion Dates.

As stated, a summary of the terms and conditions of the Plan is set out in Schedule 1. The full terms and conditions of the Plan may be obtained free of charge by contacting the Company.

## **6.2 Listing Rule requirements for Resolutions 5 to 7**

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15A, the following further information is provided in relation to the proposed issue of Shares to the Participants:

- (a) Only Non-Executive Directors of the Company (or their nominees) are entitled to participate in the Plan. As at the date of this Notice of Annual General Meeting, all the Participants are eligible to participate in the Plan;
- (b) The maximum number of securities that may be acquired by all participants in the Plan over the next three years is 5,000,000 Shares. Additionally, the number of Shares issued under the Plan at all times must not exceed 5% of the then issued Shares in the Company. The issue price of the Shares shall be calculated on the basis of the weighted average trading price of Shares on ASX during the 5 trading days immediately preceding each Conversion Date.

The number of Shares actually issued will depend on:

- (i) the number of Participants;
- (ii) the amounts of accrued Fees they elect to convert to Shares; and
- (iii) the issue price.

For example, if the aggregate amount elected to be converted per year is \$90,000, and the issue price is \$0.06 per Share, the number of Shares issued each year would be 1,500,000.

- (c) the Company is seeking Shareholder approval for the adoption of the Plan at this Annual General Meeting. Accordingly, no Shares have previously been issued under the Plan to a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained;
- (d) no loan will be provided to the Related Parties in respect of the acquisition of their respective Shares under the Plan. Shares will be acquired by converting accrued fees owing to Participants into Shares;

- (e) details of any securities issued under the Plan will be published in each annual report of the Company relating to a period in which securities have been issued and the Company shall confirm that approval for the issue of Shares under the Plan was obtained under ASX Listing Rule 10.14;
- (f) any additional persons who become entitled to participate in the Plan after Resolutions 4 to 7 are approved who were not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14; and
- (g) the Shares will be issued to the Participants no later than 3 years following the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued progressively.

## 7. GLOSSARY

In this booklet:

**ASX** means ASX Limited ACN 008 624 691 or the securities exchange operated by it as the context requires.

**Board** means the board of directors of the Company.

**Constitution** means the constitution of the Company.

**Conversion Date** means the date(s) of conversion of Director fees into Shares as set out in Annexure A.

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

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

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

**Notice of Meeting** means this notice of meeting and explanatory statement.

**Placement** means the issue of Shares as set out in paragraph 4.1.

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

**Shareholder** or Member means a holder of at least one Share.

## ANNEXURE A

### NON-EXECUTIVE DIRECTOR FEE CONVERSION PLAN SUMMARY


The following is a summary of the key terms and conditions of the Plan to be adopted by Shareholders pursuant to Resolution 4:

- (a) Entitlement to Participate: the non-executive Directors of the Company from time to time are eligible to participate in the Plan. Participation can be for nil, 50% or 100% of Director fees accrued.
- (b) Conversion: the Company shall give a Conversion Notice to the participants in the Plan on a six-monthly basis, to acquire Shares in lieu of the directors' fees accrued to the participant for the preceding six months' of service provided by the participant. The date of the Conversion Notice shall be the Conversion Date.  
  
The date of the Conversion Notice can be deferred for one month or other period at the discretion of the Company if making the offer or issuing the Shares is in contravention of the Company's Share Trading Policy.  
  
A Participant can elect to convert nil, 50% or 100% of the accrued fees set out in the Conversion Notice. A Participant can give a standing Conversion Notice election.
- (c) Rights: the Shares issued under the Plan will rank equally in all respects with existing Shares on issue.
- (d) Issue Price: the issue price of the Shares to be offered under the Plan will be the weighted average trading price of the Shares on ASX during the 5 trading days immediately preceding the Conversion Date.
- (e) Number of Shares acquired: the number of Shares that may be acquired by Directors under the Plan will be equal to the value of directors' fees the relevant Director elects to convert into Shares divided by the deemed issue price calculated under paragraph (d).
- (f) Approval: the Board will ensure that all Shares to be provided under the Plan are subject to shareholder approval.
- (g) Administration: the Plan will be administered by or on behalf of the Board in accordance with the terms and conditions of the Plan. The Board may use or delegate any power or discretion conferred by the Plan in the interests of, or for the benefit of, the Company.
- (h) Satisfaction: the issue of Shares under the Plan shall be in full and final satisfaction of the Company's obligation to pay the portion of accrued directors' fees that the Director has elected to convert.
- (i) Compliance: The Rules of the Plan must at all times comply with the requirements of the Listing Rules and the Corporations Act from time to time. Any term not so complying is severable from the remaining terms. Any term required to be included in the Plan is so included.
- (j) The Participant must be a Non-Executive Director (or their Nominee) to be a Participant. If a Participant ceases to be eligible as a Participant, the Board can elect to either pay accrued Director fees to that person in cash or by converting the amount then accrued into Shares as if the date of cessation was a Conversion Date.





## Lodge your vote:

 **Online:**  
www.investorvote.com.au

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

TNT  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10.30 am (AEDT) on Monday, 20 November 2017**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders 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 form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Tesserent Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Tesserent Limited to be held at BDO, Tower 4, Level 18, 727 Collins Street, Melbourne, Victoria on Wednesday, 22 November 2017 at 10.30 am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4, 5, 6 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4, 5, 6 and 7 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Gregory Baxter as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of issue of securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Non-Executive Director Fee Conversion Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of shares to Russell Yardley under the Non-Executive Director Fee Conversion Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of shares to Steve Bertamini under the Non-Executive Director Fee Conversion Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of shares to Gregory Baxter under the Non-Executive Director Fee Conversion Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

 /  /



# TESSERENT

ABN 13 605 672 928

TNTRM

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SURBURB  
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Tesseract Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne Victoria 3001  
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

**Tesseract Limited**