

**4<sup>th</sup> August 2017**

Further to the announcement made on 4 July 2017 regarding the funding facility, **OtherLevels Holdings Limited (ASX: OLV) (OtherLevels)** today announces the Notice of General Meeting to be held on Monday, 4 September 2017 commencing at 4:00pm Brisbane time.

The primary purpose of the meeting is to seek shareholder approval for the two lending Directors of OtherLevels to participate on the same terms as the other lenders for their new loan and for the issue of options.

The Notice of General Meeting is attached.

- ENDS -

## Contacts

### **Brendan O’Kane**

Managing Director and CEO

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### **Andrew Ritter**

CFO & Company Secretary

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## About OtherLevels

OtherLevels is a leading second-generation digital marketing platform operating in Europe, the US and Australia

The OtherLevels platform enables clients to ***acquire sooner, engage smarter*** and ***retain longer*** and supports desktop, mobile web and apps. OtherLevels leading clients from the wagering, lotteries and social casino sectors, include Camelot (UK), Tatts, Coles, Flight Centre, IHG, LadbrokesCoral, Betfred, Doubledown and Playstudios.

For more information, please visit <http://otherlevels.com>, OtherLevels Holdings Limited ACN 603 987 266.

# Notice of general meeting

OtherLevels Holdings Limited ACN 603 987 266

Notice is given that a general meeting of OtherLevels Holding Limited (**Company**) will be held at:

<b>Location</b>	McCullough Robertson Level 11, 66 Eagle Street, Brisbane
<b>Date</b>	Monday, 4 September 2017
<b>Time</b>	4.00pm (Brisbane time)

## Special Business

### Resolution 1 – Ratification of previous issue and allotment of shares and options to Richard Hannebery and his nominees

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 1 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous issue and allotment of 13,750,000 fully paid ordinary Shares at an issue price of \$0.08 per Share and 11,250,000 options to Richard Hannebery and his nominees, as detailed in the Explanatory Memorandum.'

#### Voting Exclusion

The Company will disregard any votes cast on this resolution by any person or their associates who participated in the issue of securities described in the Explanatory Memorandum.

However, for the purposes of Listing Rule 14.11, the Company will 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.

### Resolution 2 – Ratification of previous issue of options to Sophisticated Investors

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 2 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous issue of 12,750,000 options on 14 July 2017, issued as part of a loan facility entered into with Sophisticated Investors, as detailed in the Explanatory Memorandum.'

#### Voting Exclusion

The Company will disregard any votes cast on this resolution by any person or their associates who participated in the issue of securities described in the Explanatory Memorandum.

However, for the purposes of Listing Rule 14.11, the Company will 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.

## **Resolution 3 - Approval of issue of options to Director: Mr Brian Mitchell**

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 3 'That for the purposes of ASX Listing Rule 10.11, section 208(1)(a) Corporations Act, and for all other purposes, the Company be authorised to issue 3,750,000 options to Mr Brian Mitchell, a related party of the Company by virtue of him being a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.'

### **Voting Exclusion**

The Company will also disregard votes cast by 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 in contravention of section 224 Corporations Act.

No votes may be cast by Brian Mitchell or any of his associates and any votes cast by such person will be disregarded.

However, for the purposes of Listing Rule 14.11, the Company will 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.

For the purposes of section 224 Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a kind referred to in paragraph (a) above.

## **Resolution 4 - Approval of issue of options to Director: Mr Brendan O'Kane**

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 4 'That for the purposes of ASX Listing Rule 10.11, section 208(1)(a) Corporations Act, and for all other purposes, the Company be authorised to issue 3,750,000 options to Mr Brendan O'Kane, a related party of the Company by virtue of him being a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.'

### **Voting Exclusion**

The Company will also disregard votes cast by 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 in contravention of section 224 Corporations Act.

No votes may be cast by Brendan O'Kane or any of his associates and any votes cast by such person will be disregarded.

However, for the purposes of Listing Rule 14.11, the Company will 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.

For the purposes of section 224 Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a kind referred to in paragraph (a) above.

## **Resolution 5 - Approval of amended loan facility terms between the Company and Director: Mr Brian Mitchell**

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 5 'That for the purposes of section 208(1)(a) Corporations Act and for all other purposes, the Further Loan Advance made to the Company by Mr Brian Mitchell, a related party of the

Company by virtue of him being a Director of the Company, be amended to be on the same terms as the loan facility entered into between the Company and Sophisticated Investors, on the terms and conditions set out in the Explanatory Memorandum.'

## **Voting Exclusion**

The Company will disregard votes cast by 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 in contravention of section 224 Corporations Act.

However, for the purposes of Listing Rule 14.11, the Company will 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.

For the purposes of section 224 Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a kind referred to in paragraph (a) above.

## **Resolution 6 - Approval of amended loan facility terms between the Company and Director: Mr Brendan O'Kane**

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 6 'That for the purposes of section 208(1)(a) Corporations Act and for all other purposes, the Further Loan Advance made to the Company by Mr Brendan O'Kane, a related party of the Company by virtue of him being a Director of the Company, be amended to be on the same terms as the loan facility entered into between the Company and Sophisticated Investors, on the terms and conditions set out in the Explanatory Memorandum.'

## **Voting Exclusion**

The Company will disregard votes cast by 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 in contravention of section 224 Corporations Act.

However, for the purposes of Listing Rule 14.11, the Company will 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.

For the purposes of section 224 Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a kind referred to in paragraph (a) above.

If the Chairman is appointed as a proxy for a person who is permitted to vote on any of the above resolutions, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of each resolution.

Dated: 4 August 2017

By order of the Board



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**Andrew Ritter**  
**Company Secretary**

**Notes**

- (a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a member of the Company. 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.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- (d) A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (e) The Company has determined under regulation 7.11.37 *Corporations Regulations 2001* (Cth) that for the purpose of voting at the meeting or adjourned meeting, Shares are taken to be held by those persons recorded in the Company's register of shareholders as at 7.00pm (Brisbane time) on 2 September 2017.
- (f) If you have any queries on how to cast your votes then call Andrew Ritter on 0431 225 950 during business hours.

# Explanatory memorandum

OtherLevels Holdings Limited ACN 603 987 266

## Resolution 1 - Ratification of previous issue and allotment of shares and options to Richard Hannebery and his nominees

- 1 As announced to the ASX on 22 June 2016, the Company entered into a subscription agreement with Richard Hannebery to raise \$1.6 million by way of a subscription of shares in the Company. The arrangements under the subscription agreement comprised of the issue of 20 million Shares in the Company at a price of \$0.08 each, and a settlement date of 28 October 2016. A mutually agreed variation deed was subsequently entered into, which stipulated that the additional funding would be received in two tranches, with the first tranche of A\$0.8m due to be finalised on or before 31 October 2016, and a second tranche of \$0.8m by no later than 18 November 2016
- 2 As further announced to the ASX on 19 December 2016, the Company subsequently received \$1.1m under the terms agreed in the subscription agreement. In addition, the Company issued options for the balance of the amount owing under the subscription agreement, together with additional options to nominees of Richard Hannebery who agreed to fund a portion of the subscription price.
- 3 The purpose of resolution 1 is for shareholders to ratify, under ASX Listing Rule 7.4 and for all other purposes, the previous issue of the Shares and Options.
- 4 ASX Listing Rule 7.1 (in combination with ASX Listing Rule 7.1A) limits the Company from issuing more than 25% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the Company's 15% capacity, enabling it to issue further securities up to that limit. Listing Rule 7.4 can also be utilised to refresh the Company's 10% capacity under Listing Rule 7.1A.
- 5 Resolution 1 proposes the ratification and approval of the allotment and issue of the Shares and Options for the purpose of satisfying the requirements of ASX Listing Rule 7.4.
- 6 Details of the issue are set out below.

Shares	
Issue date	21 December 2016
Number of securities	13,750,000 Shares
Issue price	\$0.08 per Share
Terms of issue	The Shares rank equally with all existing Shares on issue.
Allottees	Silica Investments Pty Ltd ACN 119 558 566 – 13,750,000 Shares
Use of funds raised	<p>Funds raised from the issue of the Shares are being used to:</p> <p>(a) fund the expansion and growth of the Company's sales activities;</p> <p>(b) further strengthen commercial and contract capabilities to support and accelerate deal closure;</p>

	<p>(c) continue to grow the Company's digital messaging platform in order to continue to upsell opportunities; and</p> <p>(d) provide additional working capital to meeting the Company's operating needs.</p>
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Options	
<b>Issue date</b>	21 December 2016
<b>Number of securities</b>	5,000,000 Options
<b>Issue price</b>	Nil
<b>Exercise price</b>	\$0.06 per Option
<b>Expiry date</b>	The date that is 36 months from the issue date.
<b>Terms of issue</b>	<ul style="list-style-type: none"> <li>The Options may be exercised at any time before their expiry date, wholly or in part.</li> <li>The Company will issue one Share for each Option exercised.</li> <li>The Shares issued upon exercise of the Options rank equally with all existing Shares on issue.</li> <li>The Company will not apply to ASX for official quotation of any of the Options.</li> </ul>
<b>Allottees</b>	Australian institutional and sophisticated investors
<b>Use of funds raised</b>	Not applicable.

Options	
<b>Issue date</b>	21 December 2016
<b>Number of securities</b>	6,250,000 Options
<b>Issue price</b>	Nil
<b>Exercise price</b>	\$0.08 per Option
<b>Expiry date</b>	The date that is 6 months from the issue date.
<b>Terms of issue</b>	<ul style="list-style-type: none"> <li>The Options may be exercised at any time before their expiry date, wholly or in part.</li> <li>The Company will issue one Share for each Option exercised.</li> <li>The Shares issued upon exercise of the Options rank equally with all existing Shares on issue.</li> <li>The Company will not apply to ASX for official quotation of any of the Options.</li> </ul>
<b>Allottees</b>	Silica Investments Pty Ltd ACN 119 558 566 – 6,250,000 Options
<b>Use of funds raised</b>	Not applicable.

- 7 If resolution 1 is not approved, the Company's capacity to raise additional equity funds over the next 12 months without reference to shareholders will be reduced.

## Directors' recommendation

8 The Directors unanimously recommend you vote in favour of this resolution.

## Resolution 2 - Ratification of previous issue of Options to Sophisticated Investors

9 As announced to the ASX on 4 July 2017, the Company has entered into financing arrangements with a syndicate of Sophisticated Investors, who have agreed to provide a loan facility to the Company in an aggregate amount of \$1.35 million, when combined with the Further Advance (of \$0.5 million) from Brian Mitchell and Brendan O'Kane (**Facility**).

10 The key details of the Facility are as follows:

- (a) the Further Advance from Brian Mitchell and Brendan O'Kane is in addition to their existing unsecured facility (and will be on the same terms as the existing facility, pending shareholders approval under resolutions 5 and 6), which has an outstanding balance of \$0.5 million. The existing facility will remain in place on the existing terms;
- (b) interest rate of 16% per annum, to be paid monthly in advance, but in the case of Directors, Brian Mitchell and Brendan O'Kane, interest will be capitalised and will not be repaid until the facility with Sophisticated Investors and associated interest is repaid;
- (c) an establishment fee of 1% for all lenders except for the Directors, Brian Mitchell and Brendan O'Kane, who have waived this fee;
- (d) loan facility term of two years ending 30 June 2019; and
- (e) each lender is entitled to receive 750,000 Options for each \$50,000 committed (with any issue of Options to Directors subject to shareholder approval under resolutions 3 and 4). The total number of Options already issued is 12,750,000 (excluding Options that may be issued to Brian Mitchell and Brendan O'Kane). The Options have a strike price of \$0.04, which may be exercised on a 1:1 basis, and expiring on the date that is 12 months after repayment of the loan in full.

11 The purpose of resolution 2 is for shareholders to ratify, under ASX Listing Rule 7.4 and for all other purposes, the previous issue of the Options.

12 ASX Listing Rule 7.1 (in combination with ASX Listing Rule 7.1A) limits the Company from issuing more than 25% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the Company's 15% capacity, enabling it to issue further securities up to that limit. Listing Rule 7.4 can also be utilised to refresh the Company's 10% capacity under Listing Rule 7.1A.

13 Resolution 2 proposes the ratification and approval of the allotment and issue of the Options for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

14 Details of the issue are set out below.

Options	
Issue date	14 July 2017
Number of securities	12,750,000 Options



<b>Issue price</b>	\$0.0001 per Option
<b>Exercise price</b>	\$0.04 per Option
<b>Expiry date</b>	The date that is 12 months after repayment of the Facility in full by the Company.
<b>Terms of issue</b>	<ul style="list-style-type: none"> <li>• The Options may be exercised at any time before their expiry date, wholly or in part.</li> <li>• The Company will issue one Share for each Option exercised.</li> <li>• Options may not be transferred, assigned or otherwise disposed of without the consent of the Board.</li> <li>• The Shares issued upon exercise of the Options rank equally with all existing Shares on issue.</li> <li>• The Company will not apply to ASX for official quotation of any of the Options.</li> <li>• While the Options remain unexercised, they do not: <ul style="list-style-type: none"> <li>○ confer a right to participate in new issues of Shares unless the Options have been exercised on or before the record date for determining entitlements to the issue; or</li> <li>○ entitle a holder to receive any dividends declared and paid by the Company for shares.</li> </ul> </li> <li>• If there is a bonus or cash issue of Shares, the number of shares issued upon exercise of the Options will be adjusted as specified in Listing Rule 6.22.3.</li> </ul>
<b>Allottees</b>	The Options were issued to Sophisticated Investors who are lenders under the Facility.
<b>Use of funds raised</b>	Not applicable – proceeds of the issue are nominal.

- 15 If resolution 2 is not approved, the Company's capacity to raise additional equity funds over the next 12 months without reference to shareholders will be reduced.

## Directors' recommendation

- 16 The Directors unanimously recommend you vote in favour of this resolution.

## Resolutions 3 and 4 - Approval of issue of Options to Directors: Mr Brian Mitchell and Mr Brendan O'Kane (including through their nominated entities)

- 17 The purpose of resolutions 3 and 4 is for shareholders to approve, pursuant to Listing Rule 10.11, section 208(1)(a) Corporations Act, and for all other purposes, the issue of:
- (a) 3,750,000 Options to Director, Brian Mitchell (the subject to resolution 3); and
  - (b) 3,750,000 Options to Director, Brendan O'Kane (the subject to resolution 4),
- (including through their nominated entities), on the same terms and conditions as Options have been issued to Sophisticated investors under the Facility (as further described in paragraph 14 above).

- 18 Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party.
- 19 Furthermore, shareholder approval of the issue of securities under Listing Rule 10.11 to Directors, Brian Mitchell and Brendan O’Kane, means the issue of securities to them will not reduce the Company’s 15% placement capacity under Listing Rule 7.1.
- 20 Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of securities that are subject to resolutions 3 and 4:
- (a) the maximum number of options to be issued to Brian Mitchell is 3,750,000;
  - (b) the maximum number of options to be issued to Brendan O’Kane is 3,750,000;
  - (c) the Options the subject to resolutions 3 and 4 will be issued no later than 1 month after the date of the meeting (or such later date as permitted by an ASX waiver or modification of the Listing Rules) and it is anticipated that allotment will occur on the same date; and
  - (d) the terms of the Options are otherwise set out in paragraph 14 above.

## General information

- 21 The Company discloses the following information concerning the value of the Options to be issued in relation to resolutions 3 and 4. A fair value for the Options to be issued has been calculated using a Black Scholes methodology and based on a number of assumptions, set out below. The Board believes this valuation model is appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the Options.
- 22 The stated valuation does not constitute and should not be taken as audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 14 July 2017.

	<b>Brian Mitchell (resolution 3)</b>	<b>Brendan O’Kane (resolution 4)</b>
<b>Underlying price (share price as at 14 July 2017 being end of day closing price)</b>	\$0.038	\$0.038
<b>Exercise (strike) price</b>	\$0.04	\$0.04
<b>Volatility</b>	82.35%	82.35%
<b>Dividend yield (estimate)</b>	0.00%	0.00%
<b>Expiry date</b>	The date that is 12 months after repayment of the Facility in full by the Company	The date that is 12 months after repayment of the Facility in full by the Company
<b>Risk free rate</b>	2.630%	2.630%
<b>Option value</b>	\$0.03142	\$0.03142
<b>Total number of Options issued</b>	3,750,000	3,750,000

<b>Employee benefit expense per 3,750,000 options</b>	\$117,824	\$117,824
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- 23 A significant factor in the determination of the final value of Options will be the ultimate share price at the date of final Option grant (this will be the date of approval by the shareholders if such approval is obtained). The following table details total employee benefit expense based on the highest and lowest closing prices of the Shares traded on the ASX over the 12 months ending on 14 July 2017.

	<b>Highest price</b>	<b>Lowest price</b>
<b>Closing price (\$)</b>	\$0.084	\$0.027
<b>Date</b>	24 October 2016	9 June 2017
<b>Total employee benefits expense</b>	\$315,000	\$101,250

- 24 As such, if it is assumed all other factors are equal, where the share price increases above the \$0.027 disclosed above the final value of Options granted will increase, and conversely where the share prices reduces the final value of Options granted will also reduce.

## Remuneration

- 25 Excluding the value of the Options, Brian Mitchell and Brendan O’Kane currently receive the following emoluments for their respective positions. As at the date of this notice, the amount stated is per annum comprising salary, superannuation contributions and known short and long-term incentive payments for the 2017/2018 financial year:
- (a) Brian Mitchell – \$60,000; and
  - (b) Brendan O’Kane - \$330,920.

## Financial Benefit – Details and reasons

- 26 Approval has been sought for the giving of a financial benefit to each person to be issued Options under resolutions 3 and 4, as related parties, under section 208 Corporations Act. Section 229(3)(e) Corporations Act provides that the ‘issuing of securities or granting of an option to a related party’ (which includes a director of an entity) is an example of the giving of a financial benefit.
- 27 The amount, terms and value (subject to the stated assumptions) of those Options are set out above.
- 28 The reasons for giving the financial benefits are:
- (a) the Options are being issued as part of a broader commercial arrangement under the Facility (and assisted in the Company negotiating acceptable terms fro the Facility); and
  - (b) the Options are being issued on the same terms as to the Sophisticated Investors who were investors under the Facility.
- 29 On this basis the Company believes the giving of the benefits, as constituted by the issue of the Options to Brian Mitchell and Brendan O’Kane, is in the best interests of the Company and its shareholders.

**Existing interests and the dilutionary effect on other members' interests**

- 30 The effect that the exercise of the Options will have on the interests of each person named under resolutions 3 and 4, relative to other members' interests, is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the Options.

	<b>Brian Mitchell</b>	<b>Brendan O'Kane</b>
<b>The total number of shares on issue in the capital of the Company</b>	224,661,600	224,661,600
<b>Shares currently held by Director*</b>	17,668,853	31,056,196
<b>% of Shares currently held by Director</b>	7.86%	13.82%
<b>Options to be issued under Resolution 3</b>	3,750,000	3,750,000
<b>Existing Options held by Director</b>	542,101	3,609,337
<b>Shares that will be held following the exercise of all Options held by Director</b>	21,960,954	38,415,533
<b>% of Shares that would be held assuming no other options were exercised</b>	9.29%	16.26%

\* including indirect interests

**Directors' recommendation**

- 31 The Directors, other than Brian Mitchell, recommend you vote in favour of resolution 3.
- 32 The Directors, other than Brendan O'Kane, recommend you vote in favour of resolution 4.

**Resolutions 5 and 6 - Approval of amended loan facility terms between the Company and Directors: Mr Brian Mitchell and Mr Brendan O'Kane (including through their nominated entities)**

- 33 As described in respect of resolution 2 above, as announced to the ASX on 4 July 2017, the Company has entered into financing arrangements with a syndicate of Sophisticated Investors, who have agreed to provide the Facility.
- 34 The advances from Brian Mitchell and Brendan O'Kane under the Facility are equal to \$250,000 each (**Further Advance**). The Further Advance is an extension to their existing unsecured facility which was announced to ASX on 3 November 2016 (**Existing Facility**)<sup>1</sup> (a copy of this announcement is included in the annexure to this Notice of Meeting), and has therefore been made on the same terms as that Existing Facility. The terms of the Existing Facility are as follows:

<sup>1</sup> The Existing Facility was entered into by each of Brian Mitchell and Brendan O'Kane through entities which they control, being MT Partners Pty Ltd ACN 134 860 325 and Tara Investment Services Pty Ltd ACN 099 307 838, respectively.

- (a) facility limited \$1,000,000 (following amendment);
  - (b) outstanding balance as at the date of this notice of meeting: \$500,000 (being \$250,000 each) (**Previous Advance**);
  - (c) capitalised interest rate of 12%;
  - (d) the facility is unsecured; and
  - (e) a term ending on a date determined by the lenders (following an extension from the initial 31 December 2016 maturity date).
- 35 The Previous Advance is governed by the terms of the Existing Facility and is not subject to approval under resolutions 5 and 6. A determination was made by the Board at the time of the Company entering into the Existing Facility with each of Brendan O’Kane and Brian Mitchell that the arrangement fell within the ‘arms length terms’ exemption provided by section 210 of the Corporations Act to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act.
- 36 Resolutions 5 and 6 seek shareholder approval, pursuant to section 208(1)(a) Corporations Act, for the terms of the Further Advance to be amended to be consistent with the terms of the new Facility in respect of each of Brian Mitchell and Brendan O’Kane. The terms of the new Facility are described in paragraph 10 above. The changes to the facility terms in respect of the New Advance are as follows:
- (a) no establishment fee will be charged by Brian Mitchell or Brendan O’Kane;
  - (b) interest rate will increase from 12% per annum to 16% per annum;
  - (c) a new default interest rate of 20% shall apply;
  - (d) the facility will remain unsecured in respect of each of Brian Mitchell and Brendan O’Kane;
  - (e) the loan facility term will be extended to 30 June 2019; and
  - (f) subject to resolutions 3 and 4 being approved by shareholders, the directors will be issued 3,750,000 Options each.
- 37 Approval is being sought for the giving of a financial benefit to related party, under section 208(1)(a) of the Corporations Act. Section 229(3)(d) of the Corporations Act provides that the ‘supplying of services to or receiving services from the related party’ (which includes a director of an entity) is an example of the giving of a financial benefit.
- 38 The following information is provided for the purposes of section 208(1)(a) Corporations Act:
- (a) as noted above, the Existing Facility was entered into by each of Brian Mitchell and Brendan O’Kane through entities which they control, being MT Partners Pty Ltd ACN 134 860 325 and Tara Investment Services Pty Ltd ACN 099 307 838, respectively. These are the parties to receive the financial benefits the subject of resolutions 5 and 6, as the Further Advance was made by these parties in accordance with the terms of the Existing Facility;
  - (b) the nature of the financial benefits, and the reason and basis upon which the benefit is proposed to be given, is described in paragraphs 33 to 39 above;

- (c) other than Brian Mitchell and Brendan O’Kane, the directors do not have an interest in the outcome of the proposed resolutions;
  - (d) the primary value of the financial benefits the subject of resolutions 5 and 6 are the interest which will accrue on the Facility for its term which, following shareholder approval, and assuming a 2 year term at the updated interest rate of 16% would equate to approximately \$80,000 for each Director (based on the Further Advance of \$250,000 each). As noted in paragraph 10(b) above, however, interest will be capitalised and will not be repaid until the new Facility and associated interest is repaid to Sophisticated Investors;
  - (e) details of the current remuneration of Brian Mitchell and Brendan O’Kane are set out in paragraph 25 of this Explanatory Memorandum;
  - (f) details of the existing interests of Brian Mitchell and Brendan O’Kane are set out in paragraph 30 of this Explanatory Memorandum; and
  - (g) no equity-related financial benefits will be given to Brian Mitchell or Brendan O’Kane as part of resolutions 5 and 6.
- 39 It was agreed by Brian Mitchell and Brendan O’Kane at the time of them making the Further Advance that shareholder approval would be sought to amend the loan terms in respect of the Further Advance, in order for them to be consistent with part of the overall financing arrangements under the Facility.
- 40 If resolutions 5 and 6 are not approved, the Further Advance will remain subject to the terms of the Existing Facility.

## **Directors’ recommendation**

- 41 The Directors, other than Brian Mitchell, recommend you vote in favour of resolution 5.
- 42 The Directors, other than Brendan O’Kane, recommend you vote in favour of resolution 6.

## Glossary

OtherLevels Holdings Limited ACN 603 987 266

<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
<b>Board</b>	means the board of directors of the Company.
<b>Company</b>	means OtherLevels Holdings Limited ACN 603 987 266.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Corporations Regulations</b>	means the <i>Corporations Regulations 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum attached to the Notice of Meeting.
<b>Facility</b>	means the facility arrangement entered into between the Company and Sophisticated Investors, as announced to ASX on 4 July 2017.
<b>Further Advance</b>	means the further loan advance given by each Director, Brian Mitchell and Brendan O’Kane under the terms of their existing facility with the Company which is subject to amendment in accordance with resolutions 5 and 6 of this Notice of Meeting.
<b>General Meeting</b>	means the Company’s general meeting the subject of this Notice of Meeting.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Notice of Meeting</b>	means the notice of meeting and includes the Explanatory Memorandum.
<b>Options</b>	means options to acquire Shares.
<b>Shares</b>	means the existing fully paid ordinary shares in the Company.
<b>Shareholder</b>	means a person who is the registered holder of Shares.
<b>Sophisticated Investors</b>	means sophisticated and professional investors as those terms are defined in the Corporations Act.

3<sup>rd</sup> November 2016

## **Update on capital raising activities OtherLevels Holdings Limited (ASX Code: OLV)**

OtherLevels Holdings Limited (“OtherLevels” or “the company”) today provides an update on its capital raising activities.

On 22 June 2016, the market was advised that OtherLevels had entered into a subscription agreement to raise A\$1.6 million by way of a subscription of shares in the company (“**Subscription Agreement**”). The arrangements under the Subscription Agreement comprised of the issue of 20 million OLV shares (“**Subscription Shares**”) at a price of A\$0.08 each, and a settlement date of 28 October 2016. The issue of the Subscription Shares was approved by shareholders at the Extraordinary General Meeting (“**EGM**”) held on 5 August 2016. As announced to the market on 27 October 2016, a mutually agreed variation deed was subsequently entered into, which stipulated that the additional funding would be received in two tranches, with the first tranche of A\$0.8m due to be finalised on or before 31 October 2016, and a second tranche of A\$0.8m by no later than 18 November 2016.

Notwithstanding the commitment provided by the Subscription Agreement, the company advises that the first tranche of \$0.8 million has not been received within the required timeframe, and therefore 10 million of the Subscription Shares have not been issued.

In light of this outcome, the company has sourced an alternative funding option by way of a finance facility of up to \$0.8m from Mr Brian Mitchell and Mr Brendan O’Kane, directors of OtherLevels. The company will review its on-going funding needs, in conjunction with recent positive trading conditions and will continue to keep the market updated in this regard.

### **Uptake of New Products and strong billings in September and October 2016:**

Further to the operations update provided on 27 October 2016, OtherLevels is pleased to announce that the past 2 months (September and October 2016) have seen:

- An Increase in sales and adoption of Web Push messaging
- First sale of Action Engine, OtherLevels real-time messaging content option
- Strong billings across the two months of \$1.038m

Web push is the use of push notifications across the desktop and mobile web. OtherLevels is now able to sell to customers starting firstly in a web environment, rather than with a mobile app. This means a much broader range of potential customers for OtherLevels. Customer sectors included publishing and wagering.

The first sale of Action Engine, demonstrates that customers want to be able to engage their audiences ‘in the moment’, wherever they may be. Action Engine lets customers create real-time fresh and compelling messaging experiences, which leads to more successful campaign outcomes.

September and October 2016, saw strong billings of \$1.038m, with sales in the UK, US and Australia. The Company is seeing a strong rebound in UK sales activity with a deepening pipeline, and FY Q3 and Q4 represent strong quarters for existing customer renewals.



Brendan O’Kane, the OtherLevels CEO commented, “This was a great two months after the northern summer. It provides us with real momentum as we head towards year end, before a busy first two quarters of 2017. What was particularly pleasing were the Web Push sales, and the first sale of Action Engine. These generate increased messages and further licence fees, and result in OtherLevels being more deeply integrated into our customer’s messaging ecosystem. This in turn strengthens our long term partnerships with these customers.”

- ENDS -

## Contacts

### **Brendan O’Kane**

Managing Director and CEO

[brendan.okane@otherlevels.com](mailto:brendan.okane@otherlevels.com)

### **Andrew Ritter**

CFO & Company Secretary

[andrew.ritter@otherlevels.com](mailto:andrew.ritter@otherlevels.com)

## About OtherLevels

OtherLevels is a leading second-generation digital marketing platform with offices in San Francisco, London, Brisbane and Melbourne. OtherLevels is at the forefront of the enterprise marketing transformation being driven by the massive shift to mobile.

The OtherLevels digital marketing platform enables marketers to engage and retain their audience across desktop, mobile web and apps.

For more information, please visit <http://otherlevels.com>

## LODGE YOUR VOTE



### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



### BY MAIL

OtherLevels Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
Level 12, 680 George Street,  
Sydney NSW 2000



### ALL ENQUIRIES TO

Telephone: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of OtherLevels Holdings Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY



the Chairman of the  
Meeting (mark box)

**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 or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **4:00pm (Brisbane time) on Monday, 4 September 2017 at the offices of McCullough Robertson, Level 11, 66 Eagle St, Brisbane 4000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

## VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.**

**Please read the voting instructions overleaf before marking any boxes with an ☒.**

### Resolutions

- 1 Ratification of previous issue and allotment of shares and options to Richard Hannebery and his nominees
- 2 Ratification of previous issue of options to Sophisticated Investors
- 3 Approval of issue of options to Director: Mr Brian Mitchell
- 4 Approval of issue of options to Director: Mr Brendan O'Kane

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 5 Approval of amended loan facility terms between the Company and Director: Mr Brian Mitchell
- 6 Approval of amended loan facility terms between the Company and Director: Mr Brendan O'Kane

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* 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 votes will not be counted in computing the required majority on a poll.

## SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO 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 those 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 Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **4:00pm (Brisbane time) on Saturday, 2 September 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

OtherLevels Holdings Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**