

**YPB Group Ltd**  
**ACN 108 649 421**

**Notice of General Meeting**

Notice is given that the General Meeting of Shareholders of YPB Group Limited (**YPB** or the **Company**) will be held at **11.00AM** (AEDT), on **Monday 27 November 2017** at Level 29, 66 Goulburn Street, Sydney, NSW 2000 (**General Meeting**). The Explanatory Memorandum accompanying this Notice provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and Proxy Form part of this Notice.

The Directors have determined that, pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the persons eligible to vote at the General Meeting are those who are registered Shareholders as at 7pm (AEDT) on **Saturday 25 November 2017**. Terms used in this Notice are defined in the Glossary which forms part of the Explanatory Memorandum.

## AGENDA

### Resolution 1

#### APPROVAL OF DIRECTOR'S CONVERSION OF UNSECURED LOAN TO THE COMPANY TO ORDINARY SHARES

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

*That, for the purposes of ASX Listing Rules 10.11, section 611(item 7) of the Corporations Act and for all other purposes, approval is given for Mr John Houston, CEO and Executive Chairman, to convert an unsecured loan amounting to \$2,784,000 into Shares in the Company at a price of A\$0.04 per Share on the terms and conditions as detailed in the Explanatory Memorandum.*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 1 by Mr Houston and any of his associates. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 1.

### Resolution 2

#### RATIFICATION OF PRIOR ISSUE OF SHARES (1,210,074)

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 1,210,074 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 2 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 2.

### Resolution 3

#### RATIFICATION OF PRIOR ISSUE OF SHARES (782,580)

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 782,580 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

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**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 3.

**Resolution 4****RATIFICATION OF PRIOR ISSUE OF SHARES (173,000) AND OPTIONS (346,000)**

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 173,000 Shares and 346,000 Options on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 4.

**Resolution 5****RATIFICATION OF PRIOR ISSUE OF SHARES (795,102)**

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 795,102 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 5.

## Resolution 6

### RATIFICATION OF PRIOR ISSUE OF SHARES (4,194,555)

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 4,194,555 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 6.

## Resolution 7

### RATIFICATION OF PRIOR ISSUE OF SHARES (2,250,000)

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 2,250,000 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 7 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 7.

## Resolution 8

### RATIFICATION OF PRIOR ISSUE OF SHARES (8,000,000)

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 8,000,000 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 8.

**Resolution 9****RATIFICATION OF PRIOR ISSUE OF SHARES (144,928)**

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 144,928 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 9 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 9.

**Resolution 10****RATIFICATION OF PRIOR ISSUE OF SHARES (40,625,000)**

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

*That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 40,625,000 Shares on the terms and conditions as detailed in the Explanatory Memorandum, be and is hereby ratified and approved.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 10 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 10.

**Resolution 11****APPROVAL OF ISSUE OF SHARES TO DIRECTOR**

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

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*That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Shares to, Mr Gerard Eakin (or his nominee) in full and final satisfaction of all amounts owing by the Company to Mr Eakin on account of unpaid capital raising fees as at the date of this notice of A\$100,000, on the terms and conditions as detailed in the Explanatory Memorandum.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 11 by Mr Gerard Eakin and any of his associates. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 11.

**Resolution 12****RE-ADOPTION OF PERFORMANCE RIGHTS PLAN**

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

*That, for the purposes of ASX Listing Rule 7.2 (exception 9(b)) and for all other purposes, approval is given for the Company to re-adopt the YPB Group Limited Performance Rights Plan (**PR Plan**) and for the issue of securities under that Plan, on the terms and conditions described in the Explanatory Memorandum.*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 12 by or on behalf of Mr John Houston, Mr Gerard Eakin and Mr George Su, the directors of the Company, and any associates of those persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 12.

**Resolution 13****APPROVAL TO ISSUE SHARES**

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

*"That for the purposes of ASX Listing Rule 7.1 and all other purposes, approval be given for the Company to issue up to 150,000,000 Shares to institutional and professional investors on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 13 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 13 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 13.

**Resolution 14**

**APPROVAL OF ISSUE OF NEW SHARES TO MOTIF MICRO VENDORS**

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

*“That for the purposes of ASX Listing Rule 7.1 and all other purposes, approval be given for the Company to issue up to an amount of Shares equal to dividing US\$2,674,322 (which shall be converted into Australian dollars using the exchange rate set forth in the East Coast Edition of the Wall Street Journal on the issue date) by a price that is at least 80% of the volume-weighted average market price of the Company’s Shares calculated over the last five (5) days on which sales in the Shares were recorded before the day on which the issue is made (such date being the date of Completion) to the Motif Micro Vendors on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 14 by any of the MM Vendors and any other person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 14 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

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

The Chairman of the General Meeting intends to vote all available proxies in favour of Resolution 14.

Dated: 23 October 2017

By order of the Board.

**Robert Whitton**  
Company Secretary

## Notes

### ***Explanatory Memorandum***

The Notice should be read in conjunction with the accompanying Explanatory Memorandum.

### ***Eligibility to vote***

In accordance with the Corporations Act and the Constitution, a person's entitlement to vote at the General Meeting will be determined by reference to the number of Shares registered in the name of that person (reflected in the register of members) as at 7pm (Sydney time) on Saturday 25 November 2017.

### ***How to vote***

Each Shareholder is entitled to attend and vote at the General Meeting in person or by proxy.

### ***Proxy votes***

Each Shareholder is entitled to appoint not more than two proxies to attend and vote in their place.

Where more than one proxy is appointed, the appointment may specify the proportion or number of votes that the proxy may exercise, otherwise each proxy may exercise half of the votes.

A proxy need not be a Shareholder.

A Proxy Form must be signed (in the form attached to this Notice) by the Shareholder or the Shareholder's attorney.

Proxy Forms must reach the Company at least forty eight (48) hours before the General Meeting.

The address for lodgment of Proxy Forms is:

#### **Delivery Address**

Level 12  
225 George Street  
Sydney NSW 2000  
Australia

#### **Postal Address**

Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia

#### **Fax Number**

+ 61 2 9290 9655

#### **Online**

[www.votingonline.com.au/ypbgm2017](http://www.votingonline.com.au/ypbgm2017)

### ***Undirected Proxies***

Subject to the above, the Chairman of the General Meeting intends to vote all undirected proxies in favour of the Resolutions. However, the Company encourages all Shareholders who submit Proxy Forms to direct their proxy how to vote on each Resolution by marking the boxes on the Proxy Form (Step 2) for each item of business.

### ***Directed Proxies***

Under recent amendments to the Corporations Act, there are new rules relating to how a proxy must vote directed proxies. If a Proxy Form specifies the way a proxy is to vote on a Resolution, then:

- (a) a proxy need not vote on a show of hands, but if the proxy does vote, the proxy must vote as directed;
- (b) if a proxy is appointed by two or more Shareholders who specify different ways to vote on a resolution, the proxy must not vote on a show of hands;
- (c) if the proxy is the Chairman, the proxy must vote as directed on a poll;
- (d) if the proxy is not the Chairman, the proxy need not vote on a poll, but if the proxy does vote, the proxy must vote as directed; and
- (e) if the proxy is not the Chairman and does not attend the General Meeting or does not vote on a Resolution, but the Proxy Form specifies how to vote and a poll is demanded, then the Chairman is taken to have been appointed as the proxy and must vote as directed.

### ***Power of Attorney***

A Shareholder's attorney may sign the Shareholder's Proxy Form on behalf of the Shareholder. By signing the Proxy Form, the Shareholder's attorney confirms that the authority under which he or she executed the Proxy Form has not been revoked.

If the Shareholder's attorney signs the Proxy Form, then the attorney must, when it sends the Proxy Form to the Company, also send the authority (or a certified copy of the authority) under which the Proxy Form was signed. Each of the Proxy Form and authority must be received at least forty eight (48) hours before the General Meeting.

### ***Bodies Corporate***

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the General Meeting. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise on behalf of the appointing body all of the powers that the appointing body could exercise at the General Meeting or in voting on a Resolution.

### ***Enquiries***

Shareholders are invited to contact the Company Secretary Robert Whitton on (02) 8263 4000 if they have any queries in respect of the matters set out in these documents.

## Explanatory Memorandum

### YPB Group Ltd

#### 1. Introduction

This Explanatory Memorandum has been prepared to assist Shareholders in considering the Resolutions set out in the Notice. This Explanatory Memorandum forms part of, and should be read in conjunction with, the Notice.

Terms used in this Explanatory Memorandum are defined in the Glossary.

#### 2. General

##### 2.1 RESOLUTION 1: CONVERSION OF DIRECTOR UNSECURED LOAN TO THE COMPANY TO ORDINARY SHARES

###### (a) *Introduction*

Mr John Houston, CEO and Executive Chairman or entities related to him have lent the Group an amount of \$2,784,000 (**Loan**). The Loan is unsecured. The Loan has been used to fund operations, and to develop and acquire intellectual property. The Company has agreed to convert the Loan into Shares.

Resolution 1 seeks Shareholder approval for the conversion of the Loan into 69,600,000 Shares (representing 21.4% of the Company's total issued Share capital as at the date of this Notice, such number being 325,307,150 Shares) and the issue of such Shares to Mr Houston (or his nominee) (**Proposed Issue**).

###### (b) *Listing Rule 10.11*

Listing Rule 10.11 provides that an entity must not issue, or agree to issue, equity securities to a related party without the approval of its shareholders. For the purposes of the Listing Rules, a "related party" of the Company includes the directors of the Company. Mr Houston is Executive Chairman of the Company and, accordingly, is a related party of the Company for the purposes of both the Corporations Act and the Listing Rules.

The Company therefore seeks Shareholder approval to issue the Shares to Mr Houston (or his nominee) for the purposes of Listing Rule 10.11.

###### (c) *Listing Rule 7.1*

Listing Rule 7.2 (exception 14) provides that Shareholder approval under Listing Rule 7.1 is not required for the issue of securities to related parties which are approved under Listing Rule 10.11. Accordingly, the issue of the Shares to Mr Houston will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

###### (d) *Listing Rule 10.13*

The following information is provided in accordance with Listing Rule 10.13:

- i. A total of 69,600,000 Shares will be issued to Mr Houston (or his nominee).
- ii. All of the Shares will be issued not more than one month after the date of this meeting, or such later date as permitted by the ASX. It is intended that the Shares will be issued immediately after this Resolution 1 is passed.
- iii. The deemed issue price of each Share will be A\$0.04 per Share. The Shares will be issued as fully paid ordinary shares in the capital of the Company and on the same terms as the Company's existing Shares on issue.

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- iv. No funds will be raised from the proposed issue of the Shares. The Shares are being issued in satisfaction of the debt owing by the Company to Mr Houston.

(e) **Section 611 (item 7) of the Corporations Act**

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a company if, as a result of the acquisition, that person's or someone else's voting power in the Company increase from less than 20% to more than 20%, or from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined under section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person has a relevant interest in securities if they:

- i. are the holder of the securities;
- ii. have power to exercise, or control the exercise of, a right to vote attached to securities; or
- iii. have power to dispose of, or control the exercise of power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

A person is an 'associate' of another person, if, amongst other things, they have entered into an agreement, arrangement or understanding for the purpose of controlling or influencing the composition of a company's board of directors or the conduct of the company's affairs.

Section 611(item 7) of the Corporations Act provides an exception to the general prohibition under section 606 where the acquisition is approved by a resolution of Shareholders at a meeting at which no votes are cast by parties involved in the Proposed Issue, including their associates.

If Resolution 1 is passed, Mr Houston will hold an interest in the Company of 33% as a result of his existing shareholding in the Company, being 18.66%

Shareholders asked to approve an acquisition under item 7 of Section 611 of the Corporations Act must be given all information known to Mr Houston, his associates or the Company that is material to the decision on how to vote on the resolution.

In accordance with item 7 of Section 611 of the Corporations Act and ASIC Regulatory Guide 74, the following information is provided in relation to the issue of the Shares to Mr Houston:

Required Information	Information
An explanation of the reasons for the Proposed Issue	The Shares are being issued in payment of the debt owing by the Company to Mr Houston
When the Proposed Issue of shares is to occur	The Shares will be issued no later than one month after the date of the meeting. However, it is intended that the Shares will be issued immediately after this Resolution 1 is passed
The material terms of the Proposed Issue	The issue price of each share will be A\$0.04 per Share. The Shares will be issued as fully paid ordinary shares in the capital of the Company and on the same terms as the Company's existing Shares on issue.

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Details of the terms of any other relevant agreement between Mr Houston and the Company (or any of their associates) that is conditional on (or directly or indirectly depends on) members' approval of the Proposed Issue.	Nil
Mr Houston's intentions regarding the future of the Company	Mr Houston supports the Company's current direction and policies and intends that the Company continue developing its business in line with established long-term Company plans.
Mr Houston's intentions regarding the financial or dividend distribution policy of the Company.	Mr Houston supports the Company's current financial or dividend distribution policy, however in conjunction with the Board will review same upon the Company achieving profitability.
The interests that any director other than Mr Houston has in the Proposed Issue.	Nil
Details of persons to be appointed as a director as part of the Proposed Issue.	Not applicable

(f) ***Benefits of Proposed Issue***

Benefits of the Proposed Issue include reducing the Company's debt and interest burden, further alignment and illustration of the director's interests and commitment in prospects of Company and reducing risk to unsecured creditors and shareholders.

(g) ***Voting Exclusion Statement***

The Company will disregard any votes cast on Resolution 1 by Mr Houston and any of his associates. However, the Company will not disregard a vote if:

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

(h) ***Directors' Recommendation***

The Board, other than Mr Houston, recommends that Shareholders vote in favour of Resolution 1.

## 2.2 RESOLUTIONS 2, 3, 4, 5, 6, 7, 8, 9 and 10: RATIFICATION OF PRIOR ISSUES OF SECURITIES

Resolutions 2, 3, 4, 5, 6, 7, 8, 9 and 10 seek approval from Shareholders for the prior issue of Shares and Options (**Securities**) that have occurred in the previous 12 month period that have not already been approved by Shareholders for the purposes of Listing Rule 7.1.

Listing Rule 7.1 prohibits a company from issuing securities representing more than 15% of its issued capital in any 12 month period without shareholder approval.

Under Listing Rule 7.4 where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule

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7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1A.2. Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to an additional 10% under Listing Rule 7.1A if shareholders ratify the previous issue of securities.

If Resolutions 2, 3, 4, 5, 6, 7, 8, 9 and 10 are approved it will have the effect of refreshing the Company's ability to issue up to a further 15% of its capital under Listing Rule 7.1 during the next 12 months without the need to obtain prior shareholder approval and the additional 10% of its capital under Listing Rule 7.1A.

The Company issued 44,376,311 Securities utilising its 15% annual placement capacity under Listing Rule 7.1. The Company issued 14,144,928 Securities utilising its placement capacity under Listing Rule 7.1A.

*Resolution 2*

<b>Name of the allottee:</b>	Bracknor Worldwide Investments Ltd
<b>Number of securities that were allotted and issued:</b>	1,210,074 Shares
<b>Date of issue:</b>	15 May 2017
<b>Price at which the securities were deemed to be issued:</b>	A\$0.07 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Commitment fee pursuant to funding agreement
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

*Resolution 3*

<b>Name of the allottee:</b>	Bracknor Worldwide Investments Ltd
<b>Number of securities that were allotted and issued:</b>	782,580 Shares
<b>Date of issue:</b>	21 July 2017
<b>Price at which the securities were deemed to be issued:</b>	A\$0.0482 per Share

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<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Conversion of debt to equity pursuant to the terms of the funding agreement entered into with Bracknor on 3 May 2017
<b>Use (or intended use) of the funds raised:</b>	While no funds were raised from the conversion, the funds from the Bracknor agreement were used for working capital purposes.

*Resolution 4*

<b>Name of the allottee:</b>	Philipp Hoffmann
<b>Date of issue:</b>	21 July 2017
<b>Number of securities that were allotted and issued:</b>	173,000 Shares
<b>Price at which the securities were deemed to be issued:</b>	Nil
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Philipp is employed as the President for YPB Connect.  Shares and Options were issued to Philipp as part of a sign on incentive whereby if he bought on market US\$100,000 of Shares, the Company would issue him 1 free Share and 2 free Options.
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

<b>Name of the allottee:</b>	Philipp Hoffman
<b>Number of securities that were allotted and issued:</b>	173,000 Options
<b>Date of issue:</b>	21 July 2017
<b>Price at which the securities were deemed to be issued:</b>	Nil
<b>Terms of securities:</b>	See Annexure "A"

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<b>Purpose of the issue:</b>	<p>Philipp is employed as the President for YPB Connect.</p> <p>Shares and Options were issued to Philipp as part of a sign on incentive whereby if he bought on market US\$100,000 of Shares, the Company would issue him 1 free Share and 2 free Options.</p>
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

<b>Name of the allottee:</b>	Philipp Hoffman
<b>Number of securities that were allotted and issued:</b>	173,000 Options
<b>Date of issue:</b>	21 July 2017
<b>Price at which the securities were deemed to be issued:</b>	Nil
<b>Terms of securities:</b>	See Annexure "A"
<b>Purpose of the issue:</b>	<p>Philipp is employed as the President for YPB Connect.</p> <p>Shares and Options were issued to Philipp as part of a sign on incentive whereby if he bought on market US\$100,000 of Shares, the Company would issue him 1 free Share and 2 free Options.</p>
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

*Resolution 5*

<b>Name of the allottee:</b>	Legats Pty Ltd
<b>Number of securities that were allotted and issued:</b>	795,102 Shares
<b>Date of issue:</b>	21 July 2017

## NOTICE OF GENERAL MEETING

<b>Price at which the securities were deemed to be issued:</b>	A\$0.064 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Conversion of debt to equity
<b>Use (or intended use) of the funds raised:</b>	No funds were raised from the conversion. The Shares are being issued in lieu of cash to satisfy payments for consulting services including investor and customer introductions provided by Legats Pty Ltd.

*Resolution 6*

<b>Name of the allottee:</b>	Bracknor Worldwide Investments Ltd
<b>Number of securities that were allotted and issued:</b>	4,194,555 Shares
<b>Date of issue:</b>	6 September 2017
<b>Price at which the securities were deemed to be issued:</b>	A\$0.03 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Conversion of debt to equity pursuant to the terms of the funding agreement entered into with Bracknor on 3 May 2017
<b>Use (or intended use) of the funds raised:</b>	While no funds were raised from the conversion, the funds from the Bracknor agreement were used for working capital purposes.

*Resolution 7*

<b>Name of the allottee:</b>	Dosatsu Pty Ltd
<b>Number of securities that were allotted and issued:</b>	2,250,000 Shares
<b>Date of issue:</b>	13 September 2017

## NOTICE OF GENERAL MEETING

<b>Price at which the securities were deemed to be issued:</b>	A\$0.0553 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Conversion of debt to equity
<b>Use (or intended use) of the funds raised:</b>	No funds were raised from the conversion. The Shares are being issued in lieu of cash to satisfy payments for developing the Company's Connect computer platform and IT consulting services provided by Dosatsu Pty Ltd.

*Resolution 8*

<b>Name of the allottee:</b>	Ralph Davis
<b>Number of securities that were allotted and issued:</b>	8,000,000 Shares
<b>Date of issue:</b>	13 September 2017
<b>Price at which the securities were deemed to be issued:</b>	A\$0.0533 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Ralph was previously employed as Global President for YPB Print Solutions Inc. The Company agreed to payout the balance of Ralph's employment contract (approximately 2 years) by the issuance of Shares.
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

*Resolution 9*

<b>Name of the allottee:</b>	Juha Pelkonen
<b>Number of securities that were allotted and issued:</b>	144,928 Shares

## NOTICE OF GENERAL MEETING

<b>Date of issue:</b>	3 October 2017
<b>Price at which the securities were deemed to be issued:</b>	Nil
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Purpose of the issue:</b>	Juha is employed as the Company's Chief Marketing Officer. Juha was offered the Shares as an incentive to relocate to Bangkok from Sydney.
<b>Use (or intended use) of the funds raised:</b>	No funds were raised

*Resolution 10*

<b>Name of the allottees:</b>	See Annexure "B"
<b>Number of securities that were allotted and issued:</b>	40,625,000 Shares
<b>Date of issue:</b>	6 September 2017
<b>Price at which the securities were issued:</b>	A\$0.04 per Share
<b>Terms of securities:</b>	Fully paid ordinary shares in accordance with Constitution
<b>Persons to whom Shares were issued:</b>	See Annexure "B"
<b>Use (or intended use) of the funds raised:</b>	Working Capital

**(a) Voting Exclusion Statement**

The Company will disregard any votes cast on Resolutions 2, 3, 4, 5, 6, 7, 8, 9 and 10 by any person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if:

- i. it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- ii. 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.

**(b) Directors' Recommendation**

## NOTICE OF GENERAL MEETING

The Board recommends that Shareholders vote in favour of Resolutions 2, 3, 4, 5, 6, 7, 8, 9 and 10 as they provide the Company with the flexibility to issue, subject to the limits under the Listing Rules, further Securities during the next 12 months without shareholder approval.

## 2.3 Resolution 11: Approval of issue of Shares to Director

### (a) *Introduction*

Resolution 11 seeks Shareholder approval for the issue of 2,500,000 Shares (representing 0.77% of the Company's total issued Share capital as at the date of this Notice, such number being 325,307,150 Shares) to Mr Gerard Eakin (or his nominee) in full and final satisfaction of amounts owing by the Company to Mr Eakin on account of unpaid consultancy fees relating to services provided by Mr Eakin in connection with the Company's capital raisings, being an amount as at the date of this Notice of A\$100,000. Mr Eakin currently holds 0% of the Company's total issued share capital as at the date of this Notice.

### (b) *Listing Rule 10.11*

Listing Rule 10.11 provides that an entity must not issue, or agree to issue, equity securities to a related party without the approval of its shareholders. For the purposes of the Corporations Act, a "related party" of the Company includes the directors of the Company. Mr Eakin is a director of the Company and, accordingly, is a related party of the Company for the purposes of both the Corporations Act and the Listing Rules.

The Company therefore seeks Shareholder approval to issue the Shares to Mr Eakin (or his nominee) for the purposes of Listing Rule 10.11.

### (c) *Listing Rule 7.1*

Listing Rule 7.2 (exception 14) provides that Shareholder approval under Listing Rule 7.1 is not required for the issue of securities to related parties which are approved under Listing Rule 10.11. Accordingly, the issue of the Shares to Mr Eakin will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

### (d) *Listing Rule 10.13*

The following information is provided in accordance with Listing Rule 10.13:

- i. A total of 2,500,000 Shares will be issued to Mr Eakin (or his nominee).
- ii. All of the Shares will be issued not more than one month after the date of this meeting, or such later date as permitted by the ASX. It is intended that the Shares will be issued immediately after this Resolution 1 is passed.
- iii. The deemed issue price of each Share will be A\$0.04 per Share. The Shares will be issued as fully paid ordinary shares in the capital of the Company and on the same terms as the Company's existing Shares on issue.
- iv. No funds will be raised from the proposed issue of the Shares. The Shares are being issued to Mr Eakin (or his nominee) in satisfaction of monies owing by the Company to Mr Eakin on account of unpaid consultancy fees for services provided in connection with the Company's capital raisings.

### (e) *Voting Exclusion Statement*

The Company will disregard any votes cast on Resolution 11 by Mr Gerard Eakin and any of his associates. However, the Company will not disregard a vote if:

- i. it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or

## NOTICE OF GENERAL MEETING

- ii. 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.

(f) ***Directors' Recommendation***

The Board of Directors, other than Mr Eakin, recommend that Shareholders vote in favor of Resolution 11.

## 2.4 Resolution 12: Re-adoption of Performance Rights Plan

(a) ***Introduction***

The employee and officer incentive plan known as the YPB Group Limited Performance Rights Plan (**PR Plan**) was adopted by Shareholders at the Annual General Meeting held on 18 November 2014. The terms of the PR Plan provide that it must be approved by Shareholders every three 3 years.

The PR Plan involves the issue of performance rights (**Rights**) which are exercisable subject to their vesting conditions (**Vesting Conditions**) being met, and upon such exercise will result in the issue or transfer of Shares to the relevant participant.

(b) ***Summary of the PR Plan***

The Board may determine, from time to time, which directors, senior management and consultants of the Company and their related bodies corporate are eligible to participate in the PR Plan, and the exercise price and other terms of the issue of Rights. Participation in the PR Plan is voluntary. The Rights granted are non-transferrable, except with the prior approval of the Board.

All Rights are granted at a nil issue price unless otherwise determined by the Board and each Right enables the holder to be issued one Share upon exercise, subject to the rules governing the PR Plan (**Plan Rules**).

The Rights may be exercised, subject to the satisfaction of any exercise conditions imposed by the Board, in accordance with the date determined by the Board. The Board may determine that the Rights are exercisable, regardless of whether the applicable exercise conditions have been satisfied, if an event occurs whereby a person who previously did not have control of the Company acquires control of the Company. A person may acquire control of the Company if that person acquires 50% or more of the issued Shares in the Company.

Subject to the Listing Rules, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital then the Board may make adjustments to the rights attaching to the Rights (including, without limitation, to the number of Shares which may be acquired on exercise of the Rights and the Exercise Price of a Right) on any basis it deems fit in its discretion.

Subject to the Listing Rules, unless the Board determines otherwise, a Right Holder is only entitled to participate (in respect of Rights granted under the Plan) in a new issue of Shares to existing shareholders of the Company if the Right Holder has validly exercised the Right Holder's Rights and become a Shareholder prior to the relevant record date, and is then only entitled to participate in relation to Shares of which the Right Holder is the registered holder.

A participant may retain their existing Rights, subject always to the terms and conditions of the PR Plan, if the participant ceases employment or office with the Company (or a member of the Company's corporate group) in circumstances where the participant is a "Good Leaver". A participant will be a Good Leaver if they cease employment or office due to redundancy, retirement, death, permanent incapacity or any other circumstances determined by the Board.

## NOTICE OF GENERAL MEETING

If a participant becomes a "Bad Leaver", then all Rights held by that participant will automatically lapse, unless the Board determines otherwise. A participant will be a Bad Leaver if the participant commits a fraudulent or other dishonest act, or the participant ceases to be employed by or hold office with the Company (or a member of the Company's corporate group) in circumstances where they are not a Good Leaver (including where they have engaged in serious misconduct or a material breach of their employment contract).

As at the date of this Notice, there are currently no Rights on issue. During 2016, a total of 3,488,000 Rights were issued which were converted to Shares in 2016. During 2017, a total of 1,633,187 Rights were offered to employees however such offers at the date of this Notice have not been accepted. Since approval of the PR Plan in November 2014, a total of 3,488,000 Rights have been issued. The number of Rights issued under the PR Plan will not exceed 5% of the issued capital of the Company (on a fully diluted basis).

(c) ***Reason for the PR Plan***

The issuing of performance rights is a recognised practice in Australia as part of the remuneration of employees (including senior executives) and consultants to the Company. Issuing performance-based rights is considered a preferable alternative to cash payments as the recipient benefits if the value of the Company increases – in which case all Shareholders also benefit.

(d) ***Voting Exclusion Statement***

The Company will disregard any votes cast on Resolution 12 by or on behalf of Mr John Houston, Mr Gerard Eakin and Mr George Su, the directors of the Company, and any associates of those persons. However, the Company will not disregard a vote if:

- i. it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- ii. 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.

(e) ***Directors' Recommendation***

The Board of Directors may be beneficiaries under the PR Plan and accordingly make no recommendation in regards to Resolution 12.

## 2.5 RESOLUTION 13: APPROVAL TO ISSUE SHARES

Under Resolution 13, the Company seeks approval to issue and allot up to 150,000,000 Shares for capital raising purposes.

Listing Rule 7.1 prohibits a company from issuing securities representing more than 15% of its issued capital in any 12 month period without security holder approval. Security holder approval is sought to approve the issue of the 150,000,000 Shares referred to in Resolution 13. The effect of such approval is that any such Shares will not be counted as reducing the number of equity securities which the Company can issue without Shareholder approval under the limit imposed by Listing Rule 7.1.

(a) ***Required information***

Listing Rule 7.3 requires that the following information be provided to Shareholders in respect of Resolution 13 for the purposes of providing an approval under Listing Rule 7.1.

<b>Maximum number of Shares to be issued:</b>	150,000,000 Shares
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## NOTICE OF GENERAL MEETING

<b>Proposed date of Issue:</b>	All of the Shares will be issued no later than three months after the date of the General Meeting
<b>Price at which the Shares are to be issued:</b>	Not less than 80% of the volume weighted average market price for Shares, calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is made.
<b>Terms of securities:</b>	Fully paid ordinary shares which rank equally with the existing shares on issue
<b>Persons to whom Shares are to be issued:</b>	The names of the allottees of the Shares are currently unknown and will be chosen at the discretion of the Directors, but will not be related parties or their associates. They will be institutional and/or professional investors and will be identified on the basis of the Director's view of their ability to participate in the proposed placement and any added value they are able to bring to the Company
<b>Intended use of funds raised:</b>	The funds to be raised by the Company are intended to be used for the following purposes: a) general working capital requirements of the Company; and b) to fund any potential acquisitions of Company in the future.

(b) ***Voting Exclusion Statement***

The Company will disregard any votes cast on Resolution 13 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 13 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

- i. it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- ii. 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.

(c) ***Directors' Recommendation***

The Board recommends that Shareholders vote in favour of Resolution 13.

## 2.6 RESOLUTION 14: APPROVAL OF ISSUE OF NEW SHARES TO MOTIF MICRO VENDORS

(a) ***Background***

On 8 December 2015, the Company announced it had signed a binding agreement with the shareholders of Motif Micro Inc., (**MM**), (together, the **MM Vendors**) to acquire by way of merger all of the issued capital in MM (the **MM Shares**). MM is a company commercializing secure, smartphone readable micro-barcode technology.

As part of the consideration for the acquisition of the MM Shares the Company must issue to the MM Vendors (in their relevant proportions) ordinary shares in the Company up to a value of US\$4,000,000 (**MM Consideration Shares**).

## NOTICE OF GENERAL MEETING

The full merger consideration is an amount of up to US\$6.0 million subject to achieving certain milestones and paid in cash and Shares as follows:

*Cash Component*

- i. First cash payment: On 13 September 2017 the Company paid an amount of US\$550,000 to the MM Vendors together with the sum of US\$260,000 being Patent Licence Fee payable to Massachusetts Institute of Technology.
- ii. Second cash payment: At Completion, the Company will pay an amount of US\$950,000 to the MM Vendors plus US\$200,000 to Massachusetts Institute of Technology, being the balance of the sum payable under the Exclusive Patent Licence Agreement.

*Share Portion*

- i. First share payment: On 31 August 2017 the Company issued 10,244,025 Shares to the MM Vendors at A\$0.04 per Share.
- ii. Second share payment: At Completion the Company will issue to the MM Vendors an amount of Shares equal to dividing US\$2,674,322 (which shall be converted into Australian dollars using the exchange rate set forth in the East Coast Edition of the Wall Street Journal on the issue date) by a price that is at least 80% of the volume-weighted average market price of the Company's Shares calculated over the last five (5) days on which sales in the Shares were recorded before the day on which the issue is made (such date being the date of Completion).
- iii. Third share payment: If and when certain milestones are achieved within 9 months of Completion, the Company shall issue to the MM Vendors an amount of Shares equal to dividing US\$1,000,000 (which shall be converted into Australia dollars using the exchange rate set forth in the East Coast Edition of the Wall Street Journal on the Completion date by the volume-weighted average market price of the Company's Shares on the volume-weighted average market price of Shares on the Australian Securities Exchange for the ten (10) Business Days immediately preceding the date upon which the milestones are achieved.

Subject to the considerations in Share Portion item (ii) above the estimated number of MM Shares each MM Vendor will be issued is set out below:

Name	Estimated Number of MM Consideration Shares		
	A	B	C
Paul Bisso	42,471,575	28,314,383	56,649,763
Patrick Doyle	42,471,575	28,314,383	56,949,763
<b>TOTAL</b>	84,943,150	56,628,766	113,299,526

Notes:

- A) Assuming US:AU exchange rate of \$0.7868 and a share price of \$0.04/share
- B) Assuming US:AU exchange rate of \$0.7868 and a share price of \$0.06/share
- C) Assuming US:AU exchange rate of \$0.7868 and a share price of \$0.03/share

Listing Rule 7.1 prohibits a company from issuing securities representing more than 15% of its issued capital in any 12 month period without security holder approval. Security holder approval is sought to approve the issue of the MM Consideration Shares referred to in Resolution 14.

## NOTICE OF GENERAL MEETING

By approving the issue of the MM Consideration Shares, the issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior shareholder approval. In the absence of such approval and subject to the passing of other resolutions at the General Meeting the Company may not have sufficient placement capacity to issue the MM Consideration Shares and accordingly would not be in a position to complete the acquisition of MM.

(b) **Required Information**

Listing Rule 7.3 requires that the following information be provided to Shareholders in respect of Resolution 14 for the purposes of providing an approval under Listing Rule 7.1:

<b>Maximum number of Shares to be issued:</b>	An amount of Shares equal to dividing US\$2,674,322 (which shall be converted into Australian dollars using the exchange rate set forth in the East Coast Edition of the Wall Street Journal on the issue date) by a price that is at least 80% of the volume-weighted average market price of the Company's Shares calculated over the last five (5) days on which sales in the Shares were recorded before the day on which the issue is made (such date being the date of Completion).
<b>Proposed date of Issue:</b>	No later than 29 December 2017
<b>Price at which the Shares are to be issued:</b>	At least 80% of the volume-weighted average market price of the Shares calculated over the last five (5) days on which sales in the Shares were recorded before the day on which the issue is made (such date being the day of Completion).
<b>Terms of securities:</b>	Fully paid ordinary shares which rank equally with the existing shares on issue
<b>Persons to whom Shares are to be issued:</b>	In equal proportions to the MM Vendors being Paul Bisso and Patrick Doyle
<b>Intended use of funds raised:</b>	No cash will be received as shares are issued in consideration for the MM Shares from the MM Vendors

(c) **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 14 by any of the MM Vendors and any other person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 14 is passed, and any associates of the aforementioned persons. However, the Company will not disregard a vote if:

- i. it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- ii. 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.

(d) ***Directors' Recommendation***

The Board recommends that Shareholders vote in favour of Resolution 14.

**Robert Whitton**  
Company Secretary

### 3. GLOSSARY

**ASX** means ASX Limited.

**A\$** means Australian Dollars.

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

**Company or YPB** means YPB Group Limited (ACN 108 649 421).

**Completion** means completion of the acquisition of the MM Shares.

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**General Meeting** means the meeting convened by the Notice.

**Listing Rule** means a Listing Rule of ASX.

**Loan** is defined in section 2.1(a).

**MM** means Motif Micro Inc.

**MM Consideration Shares** is defined in section 2.6(a).

**MM Shares** is defined in section 2.6(a).

**MM Vendors** is defined in section 2.6(a).

**Notice** means the Notice of Meeting accompanying this Explanatory Memorandum.

**Option** means an option to subscribe for a Share.

**Plan Rules** is defined in section 2.4(b).

**PR Plan** means the YPB Group Limited Performance Rights Plan.

**Proxy Form** means the proxy form for the General Meeting accompanying the Notice.

**Rights** means performance rights.

**Securities** means Shares and Options.

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

**US\$** means United States Dollars

**Vesting Conditions** is defined in section 2.4(a).

## ANNEXURE A

The Options to Philipp Hoffman were issued on the following terms:

Key Term	Detail
Exercise Price	The exercise price for the Options is as follows: <i>a) 173,000 Options have an exercise price of \$0.35; and</i> <i>b) 173,000 Options have an exercise price of \$0.50.</i>
Option Fee	Nil.
Entitlement on exercise	Each Option entitles Philipp Hoffmann to subscribe for one Share ( <b>New Share</b> ).
Expiry Date	The Options will expire on 24 March 2019.
Period of exercise	Options may be exercised at any time prior to the Expiry Date. Any Options not exercised by the Expiry Date will automatically lapse.
How to exercise an Option	To exercise, Philipp Hoffmann is required to deliver a duly completed notice of exercise, together with a bank cheque drawn on an Australian bank for the total Exercise Price or payment in cleared funds into a bank account nominated in advance by the Company, at any time prior to the Expiry Date.
Issue of Shares	Within 2 business days (being a day for which banks are open in New South Wales other than weekends or public holidays) after receipt of both a valid notice of exercise and receipt (or deemed receipt) of payment of the Exercise Price, the Company will issue the New Shares pursuant to the exercise of the Options.
Minimum number of Options exercisable	1,000
Ranking	New Shares issued on exercise of the Options will rank equally with all existing Shares and the Company will apply to the ASX for quotation of the New Shares issued upon exercise of the Options.
Quotation	The Options will not be quoted.
Transferability	The Options are not transferable.
Reconstruction of capital	If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all rights of a holder of Options are to be changed to the extent necessary in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
Participation in new issues	There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options without exercising the options. Holders of Options will be afforded the period of at least 9 Business Days prior to and inclusive of the record date

## NOTICE OF GENERAL MEETING

	(to determine entitlements to the new issue) to exercise their Options.
<b>Change in Exercise Price / number of underlying ordinary shares</b>	<p>If there is a bonus issue to shareholders, the number of ordinary shares over which an Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.</p> <p>In the event that a pro rata issue (except a bonus issue) is made to shareholders, the Exercise Price of the Options may be reduced in accordance with ASX Listing Rule 6.22.</p>

**YPB GROUP LTD**  
**NOTICE OF GENERAL MEETING**

**ANNEXURE B**

**ALLOTTEES**

Ronald Langley and Rhonda Langley	1,250,000
Micjud Pty Ltd	1,250,000
Norman Super	375,000
Sima Pty Ltd	250,000
Jason Anthony Shearer-Smith & Sandra McIlwraith Shearer-Smith	1,250,000
Rooster Super Pty Ltd	1,250,000
SSS Capital Pty Ltd	6,250,000
AJSS Superannuation Pty Ltd	2,500,000
DB Madden Pty Ltd	500,000
BT Portfolio Services Pty Ltd	6,000,000
Sartain Enterprises Pty Ltd	2,500,000
Kangaglen Pty Ltd	4,700,000
Scaturn Nominess Pty Ltd	50,000
Clear Channel Pty Limited	2,000,000
Palaia Sales Pty Ltd	625,000
Grishkin Pty Ltd	250,000
Goldhirsch Financial Pty Ltd	2,500,000
Austanco Pty Ltd	625,000
Austanco Pty Ltd	625,000
Slade Technologies P/L	2,500,000
Scintilla Strategic Investments Ltd	875,000
Scintilla Strategic Investments Ltd	1,250,000
Cuchulainn Advisory Services P/L	1,250,000
	40,625,000



**YPB Group Ltd.**  
ABN 68 108 649 421

#### 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](http://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 11:00am (AEDT) on Saturday 25 November 2017.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** [www.votingonline.com.au/ypbgm2017](http://www.votingonline.com.au/ypbgm2017)
- 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 securityholder 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 **11:00am (AEDT) on Saturday 25 November 2017.** 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/ypbgm2017](http://www.votingonline.com.au/ypbgm2017)

📠 **By Fax** + 61 2 9290 9655

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

👤 **In Person** Boardroom Pty Limited  
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 **YPB Group 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 securityholder) 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 General Meeting of the Company to be held at **Level 29, 66 Goulburn Street, Sydney, NSW, 2000 on Monday 27 November 2017 at 11.00AM (AEDT)** 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.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the 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*			FOR	AGAINST	ABSTAIN*
<b>Res 1</b>	Approval Of Director's Conversion Of Unsecured Loan To The Company To Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 8</b>	Ratification Of Prior Issue Of Shares (8,000,000)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 2</b>	Ratification Of Prior Issue Of Shares (1,210,074)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 9</b>	Ratification Of Prior Issue Of Shares (144,928)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 3</b>	Ratification Of Prior Issue Of Shares (782,580)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 10</b>	Ratification Of Prior Issue Of Shares (40,625,000)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 4</b>	Ratification Of Prior Issue Of Shares (173,000) And Options (346,000)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 11</b>	Approval Of Issue Of Shares To Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 5</b>	Ratification Of Prior Issue Of Shares (795,102)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 12</b>	Re-Adoption Of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 6</b>	Ratification Of Prior Issue Of Shares (4,194,555)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 13</b>	Approval To Issue Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 7</b>	Ratification Of Prior Issue Of Shares (2,250,000)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 14</b>	Approval Of Issue Of New Shares To Motif Micro Vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

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 / / 2017