

QANTM Intellectual Property Limited

ABN 43 612 441 326

2018 Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of QANTM Intellectual Property Limited (**the Company**) will be held at Village Roadshow Theatre, State Library of Victoria, 179 La Trobe Street, Melbourne Victoria 3000 on Thursday, 29 November 2018 at 2.30pm (AEDT) (**Meeting**).

The Explanatory Notes to this Notice provide additional information on matters to be considered at the Annual General Meeting. The Proxy Form and Explanatory Notes form part of this Notice.

Business of the Meeting

Item 1: Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2018.

Item 2: Remuneration Report

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

"To adopt the Remuneration Report for the year ended 30 June 2018."

Notes:

- i. In accordance with section 250R of the Corporations Act 2001, the vote on this resolution will be advisory only and will not bind the directors or the Company.
- ii. A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

Item 3: Re-election of Director – Mr Richard England

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

"That Mr Richard England, being a Director who was appointed on 17 May 2016 and whose appointment as a Director expires at the conclusion of the Annual General Meeting of the Company and, being eligible, offers himself for re-election, be re-elected as a director of the Company."

Special Resolution

Item 4: Approval of additional capacity to issue Equity Securities under ASX Listing Rule 7.1A

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval be given for the Company to issue additional Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes accompanying this Notice."

IMPORTANT NOTES

Entitlement to Vote

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00pm (AEDT) on Tuesday, 27 November 2018 (**Entitlement Time**).

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to attend and vote at the Meeting.

Annual Report

Copies of the Company's full 2018 Annual Report may be accessed on our website under the Investors tab at www.qantmip.com.

Voting Options and Proxies

If you do not plan to attend the Meeting in person, you are encouraged to complete and return the Proxy Form which accompanies this Notice of Annual General Meeting.

Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Item 2 (see the Explanatory Notes below):

- If a Shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines, and
- If a Shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair how to vote on an item of business, the Chair will vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

Proxy Voting by the Chair

For Item 2 (Remuneration Report) where the Chair is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the Chair is to vote on Item 2, the Shareholder is directing the Chair to vote in accordance with the Chair's voting intentions for this item of business, even though Item 2 is connected with the remuneration of Key Management Personnel (**Key Management Personnel** or **KMP**).

The Chair intends to vote all undirected proxies in favour of the resolutions in the Notice of Meeting, including Item 2.

Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 2.30pm (AEDT) on Tuesday, 27 November 2018 (Proxy Deadline)**.

Proxy Forms may be submitted in one of the following ways:

- i. **By mail** to Computershare Investor Services Pty Limited (Computershare) using the reply paid envelope or GPO Box 242, Melbourne Vic 3001. Please allow sufficient time so that it reaches Computershare by the Proxy Deadline;
- ii. **By fax** to Computershare on 1800 783 447 (inside Australia) or +61 3 9473 2555 (outside Australia);
- iii. **Online** via the Company's Share Registry website at www.investorvote.com.au
To login you will need your 6 digit control number as well as your holder identification number or security holder reference number which are shown on your Proxy Form; or
- iv. **By hand** delivery to Computershare at 452 Johnston Street, Abbotsford, VIC 3067; and
- v. **Custodians may lodge** their Proxy Forms online by visiting www.intermediaryonline.com.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

Corporate Representatives

Where a shareholding is registered in the name of a corporation, the corporate shareholder may appoint a person to act as its representative (in accordance with section 253B of the Corporation Act) to attend the meeting by providing that person with:

- i. a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- ii. a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD

Martin Cleaver
Company Secretary
24 October 2018

EXPLANATORY NOTES

Notes on Business

ITEM 1 – Financial Statements

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be presented to the meeting. The Financial Report contains the financial statements of QANTM Intellectual Property Limited and its subsidiaries.

There is no requirement for a formal resolution on this Item.

The Chair of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, Deloitte, questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the year ended 30 June 2018, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Deloitte in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters. Written questions must be received no later than 5.00pm (AEDT) on Thursday 22 November 2018. The Company will then pass the questions to the Auditor for consideration.

ITEM 2 – Adoption of Remuneration Report

Reasons for Resolution

In accordance with section 300A of the Corporations Act, the Company has proposed a Remuneration Report for the consideration of Shareholders.

The Remuneration Report is found in the Annual Report for the year ended 30 June 2018.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company. However, the Directors will take into account the discussion on this item of business and the outcome of the vote when considering future remuneration arrangements of Directors and senior executives.

Shareholders will have an opportunity to comment on or ask questions about the Remuneration Report.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in FAVOUR of this resolution.

Voting Exclusion Statement

As required by the Corporations Act, the Company will disregard any votes cast on Item 2 by any member of the Company's Key Management Personnel or a Closely Related Party of any such member unless the person:

- i. Votes as a proxy appointed by writing that specifies how the person is to vote on the resolutions; or
- ii. Is the Chair of the Meeting and votes as a proxy appointed by writing that authorises the Chair to vote on the resolutions even though that resolution is connected with the remuneration of a member of the Company's KMP.

What this means for Shareholders: If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on the proposed resolution in Item 2. If you intend to appoint the Chair of the Meeting as your proxy, you can direct him or her how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Item 2 and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of this item of business).

ITEM 3 – Re-Election of Director

In accordance with the ASX Listing Rules and the Company's Constitution an election of Directors must be held at each annual general meeting.

Under clause 64.1 of the Company's Constitution, the Director to retire will be the Director who has been longest in office since their last election.

Mr Richard England has been longest in office since his last election and retires under clause 64.1 of the Company's Constitution. Mr England is seeking re-election by shareholders pursuant to ASX listing rule 14.4 and clause 63.2 of the Constitution.

Details of Mr England are as follows:

Richard was appointed independent Non-Executive Chairman on 17 May 2016. He was formerly a partner at Ernst & Young from 1988 to 1994 and a consultant until 2003. Richard is a Fellow of Chartered Accountants Australia and New Zealand and a Member of the Australian Institute of Company Directors.

Richard is a Non-Executive Director of Atlas Arteria Limited (ASX: ALX), Bingo Industries Limited (ASX: BIN), HBF Health Limited, Japara Healthcare Limited (ASX: JHC), Nanosonics Limited (ASX: NAN) and Nutrano Produce Group Pty Ltd.

Having had regard to the ASX Corporate Governance Principles and Recommendations (3rd edition) (**ASX Principles**), the Board considers Mr England to be an independent Director.

Directors' Recommendation

The Board (other than Mr England) supports the re-election of Mr England and unanimously recommends that Shareholders vote in FAVOUR of this resolution.

Chairman's Voting Intention

The Chairman of the Meeting intends to vote all available proxies in FAVOUR of all resolutions.

EXPLANATORY NOTES

ITEM 4 – Approval of additional capacity to issue Equity Securities under ASX Listing Rule 7.1A

General

Under ASX Listing Rule 7.1A, an eligible listed entity may obtain member approval by way of special resolution at its annual general meeting to issue an additional 10% of its issued capital by way of placements over a 12-month period after the date of the annual general meeting (**10% Placement Facility**). This is in addition to the normal 15% that may be issued without member approval under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at the date of this Notice, the Company is an eligible entity. The Equity Securities that the 10% Placement Facility can cover are existing quoted securities.

If Members approve Item 4, the exact number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated as at the date of issue of the Equity Securities in accordance with the formula contained in ASX Listing Rule 7.1A.2.

Item 4 is a special resolution and accordingly requires approval of 75% of the votes cast by Members present and eligible to vote.

Description of Listing Rule 7.1A

(a) Member approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to member approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue one quoted class of Equity Securities, namely the Shares.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained member approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- plus, the number of fully paid Ordinary Securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus, the number of partly paid Ordinary Securities that became fully paid in the 12 months;
- plus, the number of fully paid Ordinary Securities issued in the 12 months with approval of holders of Ordinary Securities under ASX Listing Rules 7.1 and 7.4.;
- less the number of fully paid Ordinary Securities cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of members under ASX Listing Rules 7.1 or 7.4.

(d) ASX Listing Rule 7.1 and ASX Listing Rule 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

As of the date of this Notice, the Company has 133,050,724 Shares on issue and the Company will have the capacity to issue:

- i. 19,957,608 Equity Securities under ASX Listing Rule 7.1; and
- ii. 13,305,072 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company has the capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer paragraph (c) above).

(e) 10% Placement Period

Member approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier of:

- i. the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- ii. the date of the approval by members of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

Technical information required by ASX Listing Rule 7.3A

The following information is provided in compliance with ASX Listing Rule 7.3A:

(a) ASX Listing Rule 7.3A.1: Minimum Price

In accordance with ASX Listing Rule 7.1A, the Company may only issue Equity Securities under the 10% Placement Facility at a price that is not less than 75% of the VWAP for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i. the date on which the issue price of the Equity Securities is agreed; or
- ii. the issue date (if the Equity Securities are not issued within five trading days of the date on which the issue price is agreed).

(b) ASX Listing Rule 7.3A.2: Risk of economic and voting dilution

If Item 4 is approved by the Members and the Company issues Equity Securities under the 10% Placement Facility, there is a risk of economic and voting dilution to existing Members. Further, as the market price of the Equity Securities may be significantly lower on the issue date than the date of the Meeting, and because the Equity Securities may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement Facility may raise less funding than it would based on the current market prices.

Table 1 below shows the dilution of existing shareholders on the basis of:

- i. the market price of Shares and the number of Shares on issue as at 8 October 2018;
- ii. two examples where the number of Shares on issue has increased by 50% and 100% respectively; and
- iii. two examples where the market price of Shares has decreased by 50% or increased by 100%.

Table 1 has been prepared on the following assumptions, and the Company does not represent that they will necessarily occur:

- i. the issue of Equity Securities consists only of Shares;
- ii. current Variable A is calculated as at 8 October 2018;
- iii. the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
- iv. no options or rights are exercised into Shares or Equity Securities otherwise issued under an exception in ASX Listing Rule 7.2 or with the approval of Members under ASX Listing Rules 7.1 and 7.4 before the date of the issue of the Equity Securities;
- v. the table only demonstrates the effect of the issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- vi. the table does not show the dilution that any one particular Member will be subject to and that all Members should consider the dilution caused to their own shareholding depending on their specific circumstances; and
- vii. the current market price of Shares is \$1.290, being the closing Share price on ASX on 8 October 2018 prior to the date of this Notice.

(c) ASX Listing Rule 7.3A.3: Date of issue

Member approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Meeting until the earlier to occur of:

- i. the date that is 12 months after the date of the Meeting; and
- ii. the date of the approval by Members of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Table 1

		Dilution		
		\$0.645	\$1.290	\$2.580
Share Capital (Variable "A" in ASX Listing Rule 7.1A.2)		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
133,050,724 Shares	Shares issued	13,305,072	13,305,072	13,305,072
(Current)	Funds raised	\$8,581,772	\$17,163,543	\$34,327,087
199,576,086 Shares	Shares issued	19,957,609	19,957,609	19,957,609
(50% increase)	Funds raised	\$12,872,658	\$25,745,315	\$51,490,630
266,101,448 Shares	Shares issued	26,610,145	26,610,145	26,610,145
(100% increase)	Funds raised	\$17,163,543	\$34,327,087	\$68,654,174

EXPLANATORY NOTES

(d) ASX Listing Rule 7.3A.4: Purpose of issue

As at the date of this Notice, the Company has not formed an intention to issue any Equity Securities under ASX Listing Rules 7.1A to any particular person or at any particular time.

The purposes for which the Company may issue Equity Securities under the 10% Placement Facility are as consideration for future strategic initiatives that may include investments in its operations, or other growth initiatives and acquisitions.

Details regarding the purposes for which any particular issue under the 10% Placement Facility is made will be more fully detailed in an announcement to the ASX made pursuant to ASX Listing Rules 7.1A.4 and 3.10.5A at the time the issue is made.

(e) ASX Listing Rule 7.3A.5: Allocation policy for issue

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees under the 10% Placement Facility will be determined on a case-by-case basis having regards to the factors including the following:

- i. the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and likely future capital requirements of the Company; and
- iv. advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice and may include existing substantial Members and/or new Members (such as professional and sophisticated investors), but the allottees must not include any Directors, Related Parties or associates of a Related Party of the Company.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.

(f) ASX Listing Rule 7.3A.6: Previous approval under ASX Listing Rule 7.1A

The Company has no previous approval under ASX Listing Rule 7.1A.

The total number of equity securities issued in the twelve months preceding the date of this meeting is 132,904,331 which represented 100% of the total number of equity securities on issue at the commencement of that twelve-month period.

The following issues of equity securities were made in the twelve months preceding the date of this meeting, refer Table 2 below.

(g) ASX Listing Rule 7.3A.7: Voting exclusion statement

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- the (named) person (or class of persons) excluded from voting; or
- an associate of that person (or those persons).

However, the entity need not disregard a vote if:

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

As at the date of this Notice, the Company has not approached any particular existing Member or an identifiable class of existing Members to participate in the issue of Equity Securities. On that basis, no existing Member's vote will be excluded under the voting exclusion in the Notice.

Directors' Recommendation

The Board recommends that Members vote in FAVOUR of Item 4.

Table 2

Date of issue	No. equity securities issued	Issued to	Issue price	Discount to market price	Total consideration	Amount spent Approx.
30 August 2018	146,393 Shares	Various Employees under the Employee Retention Rights Plan.	Nil	N/A	N/A	N/A

GLOSSARY

A\$ or \$ means Australian Dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, Australia.

Annual General Meeting or Meeting or AGM means the meeting convened by the Notice.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Principles means the ASX Corporate Governance Principles and Recommendations (3rd edition).

Board means the current board of directors of the Company.

Closely Related Party has the meaning as defined in section 9 of the Corporations Act.

Company means QANTM Intellectual Property Limited (ACN 612 441 326).

Constitution means the Company's Constitution.

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

Directors means the current directors of the Company.

Explanatory Notes means the Explanatory Notes accompanying the Notice.

Items means the resolutions set out in the Notice, or any one of them, as the context requires.

Key Management Personnel (or KMP) has the meaning as defined in section 9 of the Corporations Act.

Notice or Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting and the explanatory notes accompanying the Notice and the Proxy Form.

Meeting means the annual general meeting of the Company to be held at Village Roadshow Theatre, State Library of Victoria, 179 La Trobe Street, Melbourne Victoria 3000, to which this Notice relates.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2018.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Meeting Venue

Village Roadshow Theatrette
State Library of Victoria
179 La Trobe Street
Melbourne Victoria 3000

Meeting Date

Thursday, 29 November 2018
Commencing at 2:30pm (AEDT)

Directions

Walking:

Entry to the Village Roadshow Theatrette is from Entry 3, 179 La Trobe Street. Refer to Location Map opposite.

Bike:

There are separated bike lanes in both directions on Swanston and La Trobe streets. Bike racks are located on and near the corner of Swanston and La Trobe streets, Swanston and Little Lonsdale streets.

Parking:

There is paid street parking on La Trobe Street and several pay car parks close by, including at Melbourne Central and QV. There are three parking spaces for people with a disability permit in La Trobe Street.

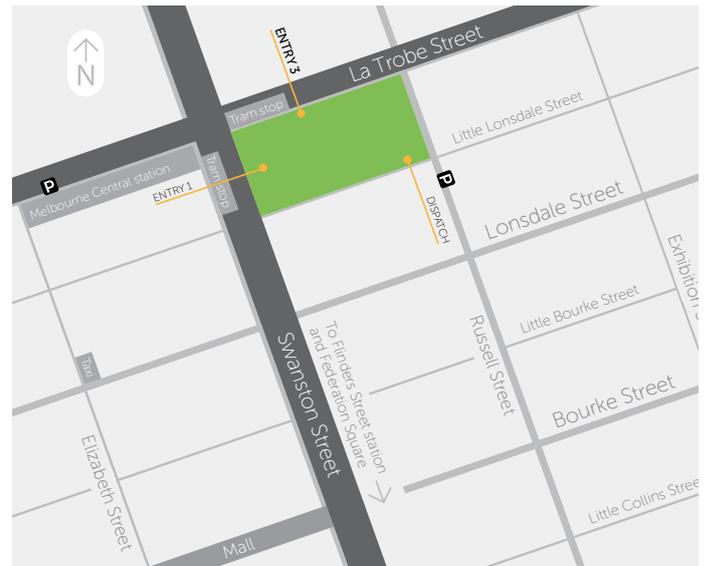
Public Transport:

Train – Melbourne Central station is directly opposite the Library's Swanston Street entrance. Country travellers can transfer to metropolitan trains at Southern Cross or North Melbourne stations.

Tram – there are tram stops near entrances on Swanston Street and La Trobe Street.

Bus – the nearest stops are in Lonsdale, Russell and Exhibition streets.

Location map of AGM



Entry to the Village Roadshow Theatrette, State Library of Victoria is from Entry 3, 179 La Trobe Street.



QANTM Intellectual Property Limited

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