



ASX ANNOUNCEMENT

25 October 2019

NOTICE OF ANNUAL GENERAL MEETING

AssetOwl Limited (ASX: AO1) is pleased to announce that the Notice of Annual General Meeting of shareholders has been despatched to all shareholders.

The Annual General Meeting will be held at 11.00am (WST) on 25 November 2019 at Level 2, 250 St Georges Terrace, Perth, Western Australia.

A hardcopy of the Annual Report will be sent to all shareholders who have requested it. Shareholders who have elected to receive the report in electronic format, will be sent an electronic version of the Annual Report from Security Transfer Australia.

The Notice of Annual General Meeting and the Annual Report can be located on the AssetOwl Limited website at <https://www.assetowl.com>.

*****ENDS*****

For further information, shareholders and media please contact:

Sean Meakin
Company Secretary
+61 8 9424 9320



AssetOwl Limited

ACN 122 727 342

Notice of Annual General Meeting, Explanatory Statement and Proxy Form

**Annual General Meeting to be held at
Level 2, 250 St Georges Terrace,
Perth, Western Australia**

On Monday, 25 November 2019 at 11:00am WST

IMPORTANT NOTE

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Important dates

Last day for receipt of Proxy Forms*	11.00am WST on Saturday, 23 November 2019
Eligibility to attend Meeting and vote – snapshot date	5:00pm WST on Saturday, 23 November 2019
Annual General Meeting	11.00am WST on Monday, 25 November 2019

*Proxy Forms received after this time will be disregarded.

Important notice

Certain statements in the Explanatory Statement relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. These statements reflect views only as of the date of the Explanatory Statement. Neither the Company nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in the Explanatory Statement will actually occur and you are cautioned not to place undue reliance on such forward looking statements.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of AssetOwl Limited ACN 122 727 342 (**AssetOwl or Company**) for 2019 will be held at **Level 2, 250 St Georges Terrace, Perth, Western Australia** on **Monday, 25 November 2019** at **11:00am WST** for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered.

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary of the Explanatory Statement.

Agenda

Receipt of financial statements and reports

To receive and consider the annual financial report, Directors' report and Auditor's report of the Company for the financial year ended 30 June 2019, as contained in the Company's Annual Report for 2019.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding **ordinary resolution**:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2019, as contained in the Company's Annual Report for 2019, be adopted by the Company."

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

Resolution 2: Re-election of Mr Simon Trevisan as a Director

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

"That, for the purposes of ASX Listing Rule 14.4 and clause 58.1 of the Company's Constitution, Mr Trevisan, who retires by rotation in accordance with clause 58.2 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

Resolution 3: Re-election of Mr Andrew Lane as a Director

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

"That, for the purposes of ASX Listing Rule 14.4 and clause 58.4 of the Company's Constitution, Mr Lane, who retires by rotation in accordance with clause 58.4 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

Resolution 4: Ratification of prior issue of shares – Shortfall fee shares

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 8,125,325 Shares at an issue price of \$0.007 per Share to professional and sophisticated investors as nominees of Patersons Securities Limited, in satisfaction of the corporate advisory fee payable to Patersons Securities Limited for the issue of shortfall securities under the Company’s rights issue which closed on 17 May 2019, on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 5: Ratification of prior issue of shares – professional and sophisticated investors

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 17,814,286 Shares at an issue price of \$0.007 per Share to sophisticated and professional investors, on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 6: Ratification of prior issue of shares – Melshare Nominees Pty Ltd

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 7,126,000 Shares at an issue price of \$0.007 per Share to Melshare Nominees Pty Ltd, on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 7: Approval of Additional Placement Facility

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Statement.”

Note: Resolution 7 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

By order of the Board



Mr Sean Meakin
Company Secretary

25 October 2019

Voting Prohibitions and Exclusions

Corporations Act voting prohibitions

Resolution	Voting prohibition	Exceptions
Resolution 1	Pursuant to section 250R of the Corporations Act, members of Key Management Personnel and their Closely Related Parties may not vote on Resolution 1. Any votes cast in contravention of section 250R of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.	This prohibition does not prevent the casting of a vote on Resolution 1 by a person who is otherwise prohibited from voting, as a proxy where the appointment specifies how the proxy is to vote. The Chairman may vote as proxy in accordance with an express authorisation on the Proxy Form.

Pursuant to section 250BD of the Corporations Act, members of Key Management Personnel and their Closely Related Parties (other than the Chairman) may not vote as a proxy on Resolutions 1, except where the appointment specifies how the proxy is to vote, or in the case of the Chairman, in accordance with an express authorisation on the Proxy Form. Any votes cast in contravention of section 250BD of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.

ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons:

Resolution	Excluded Parties
Resolution 4	Patersons Securities Limited and professional and sophisticated investors as nominees of Patersons Securities Limited, being the persons who participated in the issue of Shares in satisfaction of the corporate advisory fee payable to Patersons Securities Limited for the issue of shortfall securities under the Company's rights issue or any Associate of Patersons Securities Limited and those professional and sophisticated investors as nominees of Patersons Securities Limited.
Resolution 5	Any person who participated in the issue of the Shares or any Associates of those persons.
Resolution 6	Melshare Nominees Pty Ltd, being the person who participated in the issue or any Associate of Melshare Pty Ltd
Resolution 7	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any Associate of such persons.

However, the Company need not disregard a vote on any of Resolutions 4 to 7 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
- the Chairman 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.

Proxy Appointment and Voting Instructions

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be lodged no later than 48 hours before the time for holding the Meeting, being before **11:00am WST on Saturday, 23 November 2019**, as follows:

By hand: Security Transfer Australia Pty Ltd - 770 Canning Highway, Applecross, WA, 6153

By post: Security Transfer Australia Pty Ltd - 770 Canning Highway, Applecross, WA, 6153

By fax: +61 8 9315 2233

By email: registrar@securitytransfer.com.au

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Appointment of a proxy

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a member of the Company.

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If you appoint the Chairperson as your proxy, he or she can only cast your votes on Resolution 1 (Adoption of the Remuneration Report) if you expressly authorise him or her to do so. If the person you wish to appoint as your proxy is someone other than the Chairperson, please write the full name of that person on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy. A proxy need not be a Shareholder of the Company.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Security Transfer Australia Pty Ltd on 1300 992 916 or you may photocopy the Proxy Form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting. Certificates of Appointment of Corporate Representatives are available at <https://www.securitytransfer.com.au/forms/appointment-corporate-representative.pdf> or on request by contacting Security Transfer Australia Pty Ltd on telephone number (08) 9315 2333.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their Closely Related Parties will not be able to vote your proxy on Resolution 1 (Adoption of Remuneration Report) unless you have directed them how to vote or, in the case of the Chairperson, if you expressly authorise him or her.

Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice, the Chairperson intends to vote undirected proxies FOR each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change and in this event, the Company will make an announcement to the market.

Voting eligibility – snapshot date

The Company may specify a time, not more than 48 hours before the Meeting, at which a "snapshot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Directors have determined that all Shares of the Company that are quoted on ASX at **5:00pm WST on Saturday, 23 November 2019** shall, for the purpose of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Defined terms

Capitalised terms used in the Notice and the Explanatory Statement are defined in the Glossary.

Questions from Shareholders

At the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

A representative of BDO Audit (WA) Pty Ltd, as the Auditor responsible for preparing the Auditor's report for the year ended 30 June 2019, will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to any questions that you may have, please submit any questions to the Company by **5:00pm WST on Monday, 18 November 2019** as follows:

By hand: Security Transfer Australia Pty Ltd - 770 Canning Highway, Applecross, WA, 6153

By post: Security Transfer Australia Pty Ltd - 770 Canning Highway, Applecross, WA, 6153

By fax: +61 8 9315 2233

By email: registrar@securitytransfer.com.au

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report for the year ended 30 June 2019. The Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

1. Receipt of financial statements and reports

The Corporations Act requires the annual financial statements, Directors' report and Auditor's report of the Company for the year ended 30 June 2019 be tabled at the Meeting. These reports are contained in the Company's 2019 Annual Report.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on these reports. However, Shareholders will be given reasonable opportunity to raise questions on these reports and ask questions of the Auditor.

2. Resolution 1: Adoption of Remuneration Report

The Remuneration Report is set out in the Directors' report which forms part of the Company's 2019 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. Section 250R(3) of the Corporations Act specifies that the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

At the Company's previous Annual General Meeting the votes against the Remuneration Report was less than 25% of the votes cast on the Resolution. As such, Shareholders do not need to consider a spill resolution at the Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their Closely Related Parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

3. Resolution 2: Re-election of Mr Simon Trevisan as a Director

3.1 Background

Resolution 2 seeks Shareholder approval for the re-election of Mr Simon Trevisan as a Director.

In accordance with ASX Listing Rule 14.4 and clause 58.2 of the Company's Constitution, at every annual general meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are:

- (a) those who have been in office for 3 years since their appointment or last re-appointment;
- (b) those who have been longest in office since their appointment or last re-appointment; or
- (c) if the Directors have been in office for an equal length of time, by agreement.

Mr Trevisan retires by rotation and, being eligible, offers himself for re-election as a Director.

3.2 Biography

A profile of Mr Trevisan is contained in the Company's Annual Report for the financial year ended 30 June 2019.

3.3 Directors' recommendation

The Directors (other than Mr Trevisan) recommend Shareholders vote in favour of Resolution 2.

4. Resolution 3: Re-election of Mr Andrew Lane as a Director

4.1 Background

Resolution 3 seeks Shareholder approval for the re-election of Mr Andrew Lane as a Director.

In accordance with ASX Listing Rule 14.4 and clause 58.4 of the Company's Constitution, Mr Lane has been a director of the Company since 2016 and is required to retire from office.

However, in accordance with clause 58.5 of the Company's Constitution, Mr Lane, being eligible, offers himself for re-election at the Meeting.

4.2 Biography

A profile of Mr Lane is contained in the Company's Annual Report for the financial year ended 30 June 2019.

4.3 Directors' recommendation

The Directors (other than Mr Lane) recommend Shareholders vote in favour of Resolution 3.

5. Background to Resolutions 4, 5 and 6 – Ratification of prior issue of shares

On 26 April 2019, the Company announced its intention to undertake a renounceable rights issue to raise up to \$1.25 million (before costs) through a renounceable pro-rata rights issue (**Rights Offer**) managed and underwritten by Patersons Securities Limited (**Underwriter**).

Under the Rights Offer, the Company issued 178,770,134 Shares to raise \$1,251,391 (before costs), comprising of 113,767,527 Shares applied for by eligible participants to the Rights Offer and a shortfall of 65,002,607 Shares which, pursuant to the terms of the underwriting agreement, were placed with the Underwriter.

Pursuant to the terms of the underwriting agreement, the Company agreed to:

- (a) issue shortfall fee shares to the Underwriter or its nominees, on the basis of one (1) Share for every eight (8) Shares that the Underwriter was required to subscribe for;
- (b) pay the Underwriter, or its nominee, a corporate advisory fee of \$40,000, which could be settled with either a cash payment or through the issue of Shares in the Company; and
- (c) pay the Underwriter, or its nominee, a selling fee calculated as 6% of the amount of funds raised in excess of the Rights Offer amount of \$1,251,391.

In addition, on 10 June 2019, the Company issued a further 17,814,286 Shares to non-Related Party professional and sophisticated investors to raise \$124,700 (before costs) in addition to the Rights Offer, to satisfy excess demand for Shares.

Accordingly, the Company is seeking Shareholder approval for the prior issue of Shares as follows:

- in relation to Resolution 4, the issue of 8,125,325 Shares to various professional and sophisticated investors as nominees of the Underwriter as shortfall fee shares as described in paragraph 5(a) above;
- in relation to Resolution 5, the issue of 17,814,286 Shares to non-Related Party professional and sophisticated investors to satisfy excess demand arising from the Rights Offer; and
- in relation to Resolution 6, the issue of 7,126,000 Shares to the nominee of the Underwriter (Melshare Nominees Pty Ltd) to satisfy the \$40,000 corporate advisory fee described in paragraph 5(b) above and \$9,882 of a selling fee payable to the Underwriter for the funds raised on the issue of Shares in addition to the Rights Offer as described in paragraph 5(c).

6. Resolution 4 – Ratification of prior issue of Shares – Shortfall fee shares

6.1 Background

On 21 May 2019, the Company released the Rights Offer shortfall notice to ASX describing its obligation pursuant to the underwriting agreement to issue Shares to various professional and sophisticated investors as nominees of the Underwriter as described in Section 5(a).

Accordingly, Resolution 4 seeks ratification by Shareholders for the prior issue of 8,125,325 Shares to various professional and sophisticated investors as nominees of the Underwriter as a fee for underwriting the shortfall to the Rights Offer.

If Resolution 4 is approved, the Company's issuing capacity under Listing Rule 7.1 will be refreshed, allowing the Company to issue, without Shareholder approval, further Equity Securities representing up to an aggregate of 15% of the Company's issued capital in the next 12 months.

6.2 Applicable Listing Rules

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

6.3 Listing Rules information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 4:

(a) The number of securities issued

8,125,325 Shares were issued to various professional and sophisticated investors as nominees of the Underwriter pursuant to the underwriting agreement between the Company and the Underwriter.

(b) The price at which the securities were issued

Shares were issued at a deemed issue price of \$0.007 per Share.

(c) **The terms of the securities**

Shares issued to the Underwriter are fully paid ordinary shares that rank equally with all existing Shares on issue.

(d) **Persons to whom the securities were issued**

Shares were issued to various professional and sophisticated investors as nominees of Patersons Securities Limited.

(e) **The use or intended use of funds raised**

As the Shares were issued in satisfaction of a fee for the Underwriter underwriting the shortfall to the Rights Offer, Shares were issued for nil consideration at a deemed issue price of \$0.007. Accordingly, no funds were raised by the issue.

6.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of Equity Securities, if and as required.

7. Resolution 5 – Ratification of prior issue of Shares – professional and sophisticated investors

7.1 Background

On 10 June 2019, the Company announced that it had issued 17,814,286 Shares to professional and sophisticated investors to satisfy excess demand for Shares offered under the Rights Offer.

Accordingly, Resolution 5 seeks ratification by Shareholders for the prior issue of 17,814,286 Shares to non-Related Party professional and sophisticated investors of the Company.

If Resolution 5 is approved, the Company's issuing capacity under Listing Rule 7.1 will be refreshed, allowing the Company to issue, without Shareholder approval, further Equity Securities representing up to an aggregate of 15% of the Company's issued capital in the next 12 months.

7.2 Applicable Listing Rules

Refer to Section 6.2.

7.3 Listing Rules information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 5:

(a) **The number of securities issued**

17,814,286 Shares were issued to non-Related Party professional and sophisticated investors.

(b) **The price at which the securities were issued**

Shares were issued at an issue price of \$0.007 per Share to raise \$124,700 (before costs).

(c) **The terms of the securities**

Shares issued are fully paid ordinary shares that rank equally with all existing Shares on issue.

(d) **Persons to whom the securities were issued**

Shares were issued to various non-Related Party professional and sophisticated investors of the Company.

(e) **The use or intended use of funds raised**

Funds raised from the issue to non-Related Party professional and sophisticated investors will be applied to the Company's software development and general working capital requirements.

7.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of Equity Securities, if and as required.

8. Resolution 6 – Ratification of prior issue of Shares – Melshare Nominees Pty Ltd

8.1 Background

As described in Sections 5(c), the Company agreed, pursuant to the underwriting agreement, to pay a fee to the Underwriter, or its nominee, for underwriting services rendered. Accordingly, the Company elected to issue 7,126,000 Shares to the Underwriter's nominee, being Melshare Nominees Pty Ltd (**Melshare**), comprising:

- (a) 5,714,286 Shares in satisfaction of the \$40,000 corporate advisory fee; and
- (b) 1,411,714 Shares in satisfaction of the \$9,882 selling fee,

due and payable to the Underwriter and is now seeking ratification by Shareholders for that issue.

If Resolution 6 is approved, the Company's issuing capacity under Listing Rule 7.1 will be refreshed, allowing the Company to issue, without Shareholder approval, further Equity Securities representing up to an aggregate of 15% of the Company's issued capital in the next 12 months.

8.2 Applicable Listing Rules

Refer to Section 6.2

8.3 Listing Rules information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 6:

(a) **The number of securities issued**

7,126,000 Shares were issued to Melshare.

(b) **The price at which the securities were issued**

Shares were issued to Melshare at a deemed issue price of \$0.007 per Share.

(c) **The terms of the securities**

Shares issued to Melshare are fully paid ordinary shares that rank equally with all existing Shares on issue.

(d) **Persons to whom the securities were issued**

Shares were issued to Melshare, the nominee of the Underwriter.

(e) **The use or intended use of funds raised**

As the Shares were issued in satisfaction of the fees pursuant to the underwriting agreement no funds were raised by the issue.

8.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6 as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of Equity Securities, if and as required.

9. Resolution 7: Approval of Additional Placement Facility

9.1 Background

Resolution 7 seeks Shareholder approval for an additional issuing capacity under ASX Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 7 would enable the Company to issue additional Equity Securities (calculated below) over a 12-month period without obtaining Shareholder approval.

Resolution 7 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

9.2 Applicable ASX Listing Rules

ASX Listing Rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting, to have an addition capacity to issue additional Equity Securities issue equal to approximately 10% of its issued capital, over a 12-month period.

The Company is an eligible entity (being an entity with market capitalisation of \$300 million or less and which is not included in the S&P/ASX 300 index) as it has a current market capitalisation of \$2,409,766 and is not included in the S&P/ASX 300 index and seeks Shareholder approval under this Resolution for the Additional Placement Facility.

9.3 Information on Additional Placement Facility

(a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one classes of Equity Securities quoted on ASX, being Shares.

(b) Number of Equity Securities that may be issued

ASX Listing Rule 7.1 permits the Company to issue Equity Securities equal to approximately 15% of the Company's issued capital over a 12-month period without shareholder approval.

The Additional Placement Facility under ASX Listing Rule 7.1A is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. The effect of Shareholders passing Resolution 7 is to allow the Company to issue Equity Securities equal to approximately 15% under Listing Rule 7.1 and 10% under Listing Rule 7.1A of its issued capital during the next 12 months without first obtaining specific Shareholder approval.

The exact number of additional Equity Securities that the Company may issue under the Additional Placement Facility is not fixed but is calculated under a formula prescribed by the ASX Listing Rules (set out below).

At the date of this Notice the Company has 301,220,812 Shares on issue. If Resolution 7 is passed, the Company will be permitted to issue (as at the date of this Notice) approximately:

- (i) 45,183,121 Equity Securities under the ASX Listing Rule 7.1 15% placement capacity; and
- (ii) 30,122,081 Equity Securities under the Additional Placement Capacity.

(c) **Formula for Additional Placement Facility**

If this Resolution 7 is passed, the Company may issue or agree to issue, during the 12-month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

- A** = the number of fully paid ordinary securities on issue 12 months before the issue date or date of 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 Rule 7.1 or ASX Listing Rule 7.4;
 - less the number of fully paid ordinary securities cancelled in the 12 months;
- D** = 10%; and
- E** = 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 issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

9.4 ASX Listing Rule requirements

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

(a) **Minimum price at which Equity Securities may be issued**

The issue price of any Equity Security under the Additional Placement Facility will not be less than 75% of the VWAP for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed; or
- (ii) if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

(b) **Risk of economic and voting dilution**

If Resolution 7 is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the closing market price of Shares as at 22 October 2019 and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.0080 (market price)	\$0.0060 (25% decrease in market price)	\$0.0040 (50% decrease in market price)
Current issued capital A = 301,220,812 Shares	Shares issued under LR 7.1A	30,122,081	30,122,081	30,122,081
	Voting dilution	10%	10%	10%
	Funds raised	\$240,977	\$180,732	\$120,488
	Economic dilution	0%	2.27%	4.55%
50% increase in issued capital A = 451,831,216 Shares	Shares issued under LR 7.1A	45,183,122	45,183,122	45,183,122
	Voting dilution	10%	10%	10%
	Funds raised	\$361,465	\$271,099	\$180,732
	Economic dilution	0%	2.27%	4.55%
100% increase in issued capital A = 602,441,622 Shares	Shares issued under LR 7.1A	60,244,162	60,244,162	60,244,162
	Voting dilution	10%	10%	10%
	Funds raised	\$481,953	\$361,465	\$240,977
	Economic dilution	0%	2.27%	4.55%

Notes: The above table has been prepared on the following bases/assumptions:

1. The market price of Shares as at 22 October 2019 was \$0.0080.
2. The Company issues the maximum number of Equity Securities available under the Additional Placement Facility.
3. Existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility.
4. The Company issues Shares only under the Additional Placement Facility.
5. The impact of placements under ASX Listing Rule 7.1 or following the exercise of options is not included in the calculations.
6. Economic dilution for the table above is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

MC = market capitalization prior to issue of Equity Securities, being the MP multiplied by the number of Shares on issue;

MP = the market price of Shares traded on ASX, expressed as in dollars;

NMC = notional market capitalisation, being the market capitalisation plus the NSV;

NSV = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and

TS = total Shares on issue following new Equity Security issue.

(c) **Date by which Equity Securities may be issued**

Equity Securities may be issued under the Additional Placement Facility for 12 months after this Meeting (i.e. until 25 November 2020).

However, the approval to the Additional Placement Facility under this Resolution will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) **Purpose for which Equity Securities may be issued**

The Company may seek to issue Equity Securities under the Additional Placement Facility for the following purposes:

- (i) to raise additional cash to fund business growth and development of Inspector360 through the current commercialisation phase; general business and operational development; acquisitions and investments which complement the existing business; and general working capital; and
- (ii) non-cash consideration to acquire new assets or make investments, provided that in these circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

(e) **Allocation policy**

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under ASX Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

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 Additional Placement Facility.

(f) **Additional information on issued securities**

Shareholders previously approved an additional placement facility at the Company's 2018 annual general meeting.

The total number of Equity Securities issued in the 12 months before this Meeting is 211,835,745. This represents 236.99% of the total number of Equity Securities on issue at the commencement of that 12-month period (being 89,385,067 Equity Securities).

The details for each separate issue of Equity Securities issued during the 12 months before this Meeting are provided at Schedule 1 to this Notice.

9.5 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7 as it will give the Company the flexibility to raise and fund necessary working capital whilst preserving the Company's cash reserves.

Glossary of defined terms

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

A\$ or \$	Australian dollars.
Annual General Meeting or Meeting	The annual general meeting of Shareholders or any adjournment thereof, convened by the Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2019, including the annual financial report, the Directors' report and the Auditor's report.
ASIC	The Australian Securities & Investments Commission.
Associate	Has the meaning given to that term in the Listing Rules.
AssetOwl Share	A share in AssetOwl.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
ASX Listing Rules	The listing rules of ASX, as amended from time to time.
Auditor	The auditor of the Company, being BDO Audit (WA) Pty Ltd.
Board	The Board of Directors of the Company.
Business Day	Has the meaning given to that term in Chapter 19 of the ASX Listing Rules.
Chairperson	The chair of the Annual General Meeting.
Closely Related Party	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Equity Security	Has the meaning given to that term in ASX Listing Rule 19.12, being: <ul style="list-style-type: none">(a) a share;(b) a unit;(c) a right to a share or unit or option;(d) an option over an issued or unissued security;(e) a convertible security;(f) any security that ASX decides to classify as an equity security;(g) but not a security that ASX decides to classify as a debt security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.

Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Melshare	Melshare Nominees Pty Ltd.
Notice or Notice of Annual General Meeting	The notice of annual general meeting which accompanies this Explanatory Statement.
Proxy Form	The proxy form accompanying the Notice.
AssetOwl or Company	AssetOwl Limited (ACN 122 727 342).
Remuneration Report	The remuneration report of the Company for the period ended 30 June 2019, appearing in the Director's report as set out in the Annual Report.
Resolution	A resolution set out in the Notice.
Rights Offer	The non-renounceable pro rata rights offer by the Company to Shareholders as announced to ASX on 17 May 2019.
Section	A section of this Explanatory Statement.
Security	Has the meaning given to that term in section 92(4) of the Corporations Act.
Security Holder	The holder of a Security issued or granted by the Company.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share.
Underwriter	The underwriter of the Rights Offer, being Patersons Securities Limited.
VWAP	The volume-weighted average price of Shares traded on ASX.

Schedule 1

Equity securities issued 12 months prior to Annual General Meeting

Date of issue	Equity Securities issued	Allottee(s)	Issue price and discount to market price on date of issue	Total cash consideration	Use of funds	Non-cash consideration and current value
24 May 2019	178,770,134 Shares pursuant to Rights Offer	Participants Offer and shortfall offer, details of which are set out in the Prospectus	\$0.007 per Share This issue price represented a discount to the market price of the shares at the time of issue of 22.22%	Amount raised: \$1,251,391 Amount spent: note ² below	The funds raised were applied to: <ul style="list-style-type: none"> • Further software development; • Repayment of debts to Related Parties; • Costs of Offers; and • Working Capital. 	N/A
	8,125,325 Shares	Nominees of the Underwriter of the Rights Offer announced on 26 April 2019	Issued for nil cash consideration, at a deemed issue price of \$0.007 per Share This issue price represented a discount to the market price of the shares at the time of issue of 22.22%	Nil	N/A	Non-cash consideration: \$56,877.27 Current value: \$65,002.60
6 June 2019	17,814,286 Shares	The Company issued these shares to various non-Related Party sophisticated and professional investors	\$0.007 per Share This issue price represented a discount to the market price of the shares at the time of issue of 22.22%	Amount raised: \$124,700 Amount spent: note ² below	The funds raised were applied to: <ul style="list-style-type: none"> • Further software development; • Repayment of debts to Related Parties; • Costs of Offers; and • Working Capital. 	N/A

Date of issue	Equity Securities issued	Allottee(s)	Issue price and discount to market price on date of issue	Total cash consideration	Use of funds	Non-cash consideration and current value
10 June 2019	7,126,000 Shares	Melshare Nominees Pty Ltd	\$0.007 per Share This issue price represented a discount to the market price of the shares at the time of issue of 12.50%	Nil	N/A	Non-cash consideration: \$49,882 - Shares issued to nominee of Patersons Securities Limited, the lead manager for the Company's Rights Offer in lieu of cash payment for corporate advisory and selling fees Current value: \$57,008

Notes:

1. The current value of the Shares has been calculated on the basis that Shares have a current value of \$0.008 each, being the closing price of the Company's Shares as at 22 October 2019.
- 2.

Total Cash consideration from capital raisings in Schedule 1	\$1,376,091
Use of Funds	
Software Development	\$450,000
Capital Raising Costs	\$90,000
Repayment of Debts:	\$327,000
Corporate Overheads:	\$270,000
Total Outlays	\$1,137,000
Retained as working capital	\$240,000

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