

VERILUMA

VERILUMA LIMITED

ACN 142 901 353

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am AEDST

DATE: Wednesday, 30 November 2016

PLACE: Level 3
33-35 Atchison Street
ST LEONARDS NSW 2065

A copy of the Veriluma Limited 2016 Annual Report can be found at

www.veriluma.com

This Notice of Annual General Meeting and Explanatory Statement should be read in their entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss any matter in this Notice of Annual General Meeting or the Explanatory Statement, please do not hesitate to contact the Company Secretary on +61 2 9993 4407.

CONTENTS

Business of the Meeting	3
Explanatory Statement	5
Glossary	8

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the 2016 Annual General Meeting of Veriluma Limited will be held at 11:00am AEDST on Wednesday, 30 November 2016 at Level 3, 33-35 Atchison Street, St Leonards NSW 2065.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* that the persons eligible to vote at the 2016 Annual General Meeting are those who are registered as Shareholders at 11:00am AEDST on Monday, 28 November 2016.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete, sign and date the enclosed Proxy Form and return by the time set and otherwise in accordance with the instructions set out in the Proxy Form.

In accordance with section 249L of the *Corporations Act 2001*, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of Veriluma Limited; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the *Corporations Act 2001*, each proxy may exercise one-half of the votes.

Under ss250BB and 250BC of the *Corporations Act 2001*:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details of these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the *Corporations Act 2001* provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the *Corporations Act 2001* provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Veriluma Limited members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chairman of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

DEFINED TERMS

Capitalised terms in this Notice of Annual General Meeting and Explanatory Statement are defined either in the accompanying Glossary.

ASX

A copy of this Notice of Annual General Meeting and Explanatory Statement has been lodged with ASX. Neither the ASX nor any of its officers takes any responsibility for the contents of them.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

Reports and Accounts

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 to be laid before the meeting, together with the Directors' Report (which includes the Remuneration Report) and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as a **non-binding ordinary resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report contained in the Directors' Report accompanying the Company's annual financial report for the financial year ended 30 June 2016 is adopted.”

Notes:

- This resolution is advisory only, and does not bind the Directors or the Company.
- The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
- If 25% or more of the votes cast are voted against the adoption of Remuneration Reports at two consecutive annual general meetings, shareholders will be required to vote at the second of those AGM's 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) will be vacated immediately before the end of the annual general meeting.

Please note that on the vote on Resolution 1 Shareholders will be allowed a reasonable opportunity to ask questions about or comment on the Remuneration Report which is included in the Directors' Report forming part of the Annual Report. For those Shareholders who did not receive a copy of the Company's 2016 Annual Report, it is available on the Company's website (www.veriluma.com).

Voting Exclusion Statement:

In accordance with section 250R(4) of the *Corporations Act 2001*, no member of the key management personnel of the Company whose remuneration is the subject of the 2016 Remuneration Report or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

- It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or
- it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an appointment which expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR NIGEL GELLARD

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

“That, for the purposes of rule 11.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Nigel Gellard, a director of the Company who retires by rotation and, being eligible, is re-elected as a Director of the Company.”

3. RESOLUTION 3 – APPOINTMENT OF KPMG AS AUDITOR

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

“That for the purposes of section 327B of the Corporations Act 2001 and for all other purposes, KPMG, having been nominated by a Shareholder and, subject to receiving their consent in writing to act as auditor of the Company, is appointed as auditor of the Company.”

DATED: 21ST OCTOBER 2016

By Order of the Board

Justin Clyne

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to vote on and pass the Resolutions set out in the accompanying Notice of Meeting.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The *Corporations Act 2001* requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

A remuneration report addresses a company's remuneration arrangements for its directors and other key management personnel. A remuneration report is part of a directors' report that accompanies annual financial reports of companies in respect of a financial year.

The chairman of an annual general meeting must allow a reasonable opportunity for shareholders to ask questions about or make comments on the remuneration report.

1.2 Voting consequences

By s250R(2) of the *Corporations Act 2001*, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to the vote. If required, the Spill Resolution must be put to the vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

Should that event arise, all of the directors of the company who were in office when the directors' report was approved, other than the managing director, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons who are elected or re-elected as directors of the company will be the directors of the company.

1.3 Previous voting results

At the Company's last annual general meeting, votes cast against adoption of the remuneration report at that meeting were less than 25% of all votes cast. Accordingly, a Spill Resolution will not arise at or within 90 days after this Annual General Meeting, whatever the outcome of voting on resolution 1.

1.4 Proxy voting restrictions

Shareholders appointing a proxy to vote on this Resolution are invited to note the following:

If you are a shareholder entitled to attend and vote, you are entitled to appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise one-half of the votes. A proxy need not be a shareholder of the Company. If you want to appoint one proxy, please use the form provided. If you want to appoint two proxies, please follow the instructions on the proxy form.

The Company's constitution provides that, on a show of hands, every person present and qualified to vote has one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither may vote on a show of hands.

If you appoint a proxy who is also a Shareholder or is also a proxy for another Shareholder, your directions may not be effective on a show of hands. Your directions will be effective if a poll is required and your proxy votes.

To record a valid vote, members will need to complete, sign, date and lodge the accompanying Proxy Form (and any power of attorney or other authority under which it is signed, or a certified copy of the power of attorney or authority) at the share registry of the Company:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

or send it or them by facsimile to:

Computershare Investor Services Pty Limited
Fax 1800 783 447 (from within Australia) or
Fax +61 3 9473 2555 (from outside Australia),

to arrive no later than 11.00 am (AEDST time) on Monday, 28 November 2016.

You can also vote online at www.investorvote.com.au by entering your Control Number, SRN/HIN and postcode, which are shown on the first page of the accompanying Proxy Form.

Custodian Voting – for Intermediary Online subscribers only (Custodians) please visit www.intermediaryonline.com to convey your voting intentions.

If you choose to appoint a proxy, you are encouraged to direct your proxy vote how to vote by marking either “For”, “Against” or to “Abstain” for each item of business.

Shareholders may arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting:

Computershare Investor Services Pty Limited
Tel 1300 556 161 (from within Australia) or
Tel +61 3 9415 4000 (from outside Australia).

How the Chairman intends to vote undirected proxies

Please note that if the Chairman of the meeting is your proxy (or becomes your proxy), you expressly authorise the Chairman to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company, the Chairman. If you appoint the Chairman as your proxy, you can direct the Chairman to vote “For” or “Against” Resolution 1 or to “Abstain” from voting on the resolution by marking the appropriate box on the proxy form.

The Chairman intends to vote all undirected proxies he holds “For” or in favour of each item of business, including Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR NIGEL GELLARD

Pursuant to rule 11.3 of the Company’s Constitution and Listing Rule 14.4, one-third of the Directors (or the number nearest one-third) must retire at each annual general meeting, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election.

The Directors to retire in accordance with these provisions are those who have been longest in office since their appointment or last election or re-election or, if the Directors have been in office for an equal length of time, those to retire shall be determined by drawing lots unless otherwise agreed.

A Director who retires by rotation under rule 11.3 of the Constitution is eligible for re-election.

The Company currently has three Directors in office and accordingly one must retire.

Mr Nigel Gellard retires by rotation and seeks re-election.

Mr Gellard’s fellow members on the Board unanimously support the re-election of Mr Gellard.

Mr Gellard has over twenty years' experience in the resources, agricultural and financial services and funds management industries. He is a co-founder and an executive director of a privately-owned boutique funds management business. Prior to this role, he spent five years dealing in the equities markets, most notably with Patersons Securities Limited.

Before entering into the financial services and funds management industries, Mr Gellard was Commercial Adviser to the Director of Exploration for Rio Tinto Plc, based in London, where he was responsible for advising on commercial matters relating to Rio Tinto Plc's activities and businesses in Europe, Eastern Europe, South America and Africa. He was also responsible for the negotiation of commercial agreements and for risk management.

Mr Gellard is a former director of publicly listed General Gold Ltd (now Kariki Energy Ltd ASX: KIK) and Strata Minerals Inc a Canadian TSXV listed mineral exploration company between 2010 and 2012. He is also currently a director of a number of private companies.

3. RESOLUTION 3 – APPOINTMENT OF KPMG AS AUDITOR

The incumbent external auditor, Grant Thornton, is based in Perth, Western Australia. Following the Company's relisting on the ASX as a prescriptive analytics software provider, the Company has moved its headquarters to the east coast of Australia and wishes to utilise the services of an east coast-based auditor. The Board undertook a tender process for the appointment of a new auditor and has resolved, subject to the Company's receipt of consent from ASIC, the approval of shareholders at the AGM and receiving KPMG's written consent to act as the Company's auditor, to appoint KPMG to that role.

Grant Thornton has agreed to resign at this year's AGM subject to these matters. Grant Thornton's resignation is expected to take effect on the day of the AGM, 30 November 2016. The consent of ASIC and of KPMG will be sought as soon as possible.

A copy of an auditor nomination received by the Company from a Shareholder accompanies this Notice of Meeting.

The Directors recommend that Shareholders appoint KPMG as auditor of the Company subject to the consent of ASIC.

GLOSSARY

\$ means Australian dollars.

AEDST means Australian Eastern Daylight Savings Time as observed in Sydney, New South Wales.

AGM means the 2016 annual general meeting of the Company, including any adjournment.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

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

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member of the member's spouse;
- (c) a dependent of the member or of 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 dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* for the purposes of the definition of 'closely related party' in section 9 of the *Corporations Act 2001*.

Company means Veriluma Limited ACN 142 901 353.

Constitution means Veriluma Limited's Constitution.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Annual General Meeting** or **Notice of General Meeting** means this notice of annual general meeting.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report in the Directors' report accompanying the Company's annual financial report for the year ended 30 June 2016.

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

Share means a share in the Company with voting rights.

Shareholder means a holder of a Share.

MANEKI PTY LTD

ACN 081 119 646

21 October, 2016

The Directors
Veriluma Limited
Level 3/33-35 Atchison Street
St Leonards NSW 2065

NOMINATION OF AUDITOR

Pursuant to section 328B(1) of the *Corporations Act, 2001 (Cth.)*, Maneki Pty Ltd as trustee for the Hammond Family Trust, a shareholder of Veriluma Limited A.C.N. 142 901 353 (**Company**) hereby nominate KPMG of Level 11, Corporate Centre One, Corner of Bundall Road and Slatyer Avenue, Bundall QLD 4217 to be appointed as auditor of the Company at the next Annual General Meeting to be held on 30th November, 2016 or any adjournment thereof.

Yours faithfully,



L S Hammond

Director
Maneki Pty Ltd ATF Hammond Family Trust

