

Notice of Annual General Meeting

OtherLevels Holdings Limited ACN 603 987 266

Notice of Annual General Meeting

OtherLevels Holdings Limited ACN 603 987 266

Notice is given that the Annual General Meeting of OtherLevels Holdings Limited ACN 603 987 266 (**Company**) will be held at:

Location	PKF Hacketts Brisbane, Level 6, 10 Eagle Street, Brisbane QLD 4000
Date	Friday, 30 November 2018
Time	9:00am (Brisbane time)

Ordinary Business

Financial statements and reports

To consider and receive the financial report, the Directors' report and the auditor's report for the year ended 30 June 2018.

Directors' remuneration report

To consider and, if in favour, pass the following resolution in accordance with section 250R(2) Corporations Act:

- 1 'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Election of Mr Cristiano Nicolli as Director

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

- 2 'That Cristiano Nicolli, who retires having previously been appointed to fill a casual vacancy in accordance with rule 19.2(b) of the Company's constitution, and having consented to act and being eligible, be elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Cristiano Nicolli abstaining) unanimously recommend that you vote in favour of this resolution.

Special business

Issue of options to Managing Director

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

- 3 'That, pursuant to section 208(1)(a) Corporations Act and Listing Rule 10.14, Shareholders approve the granting of 2,400,000 options to Brendan O'Kane, Managing Director, on the terms set out in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Ratification of previous issue of options to Sophisticated Investors

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

- 4 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous issue of 3,000,000 options on 25 July 2018, issued as part of a loan facility entered into with Sophisticated Investors, as detailed in the Explanatory Memorandum.'

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

10% capacity to issue shares under Listing Rule 7.1A

To consider and, if in favour, to pass the following as a special resolution:

- 5 'That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.'

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

Dated: 29 October 2018

By order of the Board



Andrew Ritter

Company Secretary

Voting exclusion statement

Corporations Act

Resolution 1 - The Company will disregard votes cast by a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Resolution 3 - The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act. The Company will also disregard votes cast by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party in contravention of section 224 Corporations Act.

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

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party.

Listing Rules

In accordance with the Listing Rule 14.11, the Company will disregard votes cast in favour of the resolution by or on behalf of:

Resolution 3 - Issue of options to Managing Director	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.
Resolution 4 - Ratification of previous issue of options to Sophisticated Investors	any person who participated in the issue or any associate of such person.
Resolution 5 - Approval of additional capacity to issue shares under Listing Rule 7.1A	any 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 holder of ordinary securities in the Company), or any associate of those persons. NB. In accordance with Listing Rule 14.11.1 and the relevant note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

However, for the purposes of Listing Rule 14.11, the Company will not disregard a vote if:

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

Notes

- (a) Terms used in this Notice of Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Explanatory Memorandum.
- (b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (d) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form. To be effective, the proxy must be received at the share registry of the Company no later than 9:00am (Brisbane time) on Wednesday, 28 November 2018 (48 hours before the commencement of the meeting).
- (e) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (f) The Company has determined under regulation 7.11.37 Corporations Regulations that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Sydney time) on Wednesday, 28 November 2018.
- (g) If you have any queries on how to cast your votes then call Andrew Ritter, Company Secretary, on +61 7 3003 0652 during business hours.

Explanatory Memorandum

OtherLevels Holdings Limited ACN 603 987 266 (**Company**)

This Explanatory Memorandum accompanies the notice of Annual General Meeting of the Company to be held at McCullough Robertson Lawyers, Level 11, 66 Eagle St, Brisbane, QLD 4000 on Wednesday, 28 November 2018 at 3:00pm (Brisbane time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Financial statements and reports

- 1 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given a reasonable opportunity at the meeting to raise questions and make comments on these reports.
- 4 In addition to asking questions at the meeting, Shareholders may address written questions to the chairman about the management of the Company or to the Company's auditor, PKF Hacketts Audit, if the question is relevant to:
 - (a) the content of the auditor's report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

- 5 Written questions for the auditor must be delivered by 5.00pm on Friday, 23 November 2018. Please send any written questions for PKF Hacketts Audit to:

The Company Secretary
GPO Box 203
Brisbane, Queensland 4001

or via email to: andrew.ritter@otherlevels.com

Resolution 1: Remuneration Report

- 6 The Remuneration Report is contained in the Annual Report. A copy is available on the Company's website.
- 7 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.
- 8 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's

remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.

- 9 The Remuneration Report:
- (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.
- 10 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' Recommendation

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of good corporate governance and in accordance with the spirit of section 250R(4) Corporations Act, makes no recommendation regarding this resolution.

Resolution 2: Election of Mr Cristiano Nicolli as Director

- 11 Listing Rule 14.4 and rule 19.2(b) of the Constitution provides that a Director appointed by the Board to fill a casual vacancy or as an addition to the existing Directors will hold office until the end of the next annual general meeting of the Company, at which the Director may be elected.
- 12 Mr Cristiano Nicolli retires from office under Listing Rule 14.4 and rule 19.2(b) of the Constitution and stands for election.
- 13 Mr Nicolli joined the Board of the Company on 1 January 2018, having had a significant career within the IT industry in sales, management and leadership roles across the Asia Pacific region. Mr Nicolli recently stepped down after 12 years from ASX listed UXC Limited, including 5 years as CEO and Managing Director. Prior to UXC, Mr Nicolli held senior roles with Digital Corporation and Compaq Computers for over 20 years across Asia, Australia and New Zealand.
- 14 Mr Nicolli is also an independent non-executive director of Vista Group International (NZX VGL: ASX VGL), a global market leader providing software solutions across the global film industry, an investor and advisor to a number of private Australian IT companies and is Treasurer of NFP Charity Kadasig Aid and Development.
- 15 Mr Nicolli is a Fellow of the Australian Institute of Company Directors (FAICD) and a past member of the New Zealand Society of Accountants.

Directors' Recommendation

- 16 The Directors (with Mr Cristiano Nicolli abstaining), unanimously recommend the election of Mr Nicolli to the Board.

Special business

Resolution 3: Issue of options to Managing Director

- 17 Subject to the approval of Shareholders, the Company proposes to issue 2,400,000 options to Brendan O'Kane, Managing Director.
- 18 Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.
- 19 The options shall be issued under and subject to the terms of the ESOP.
- 20 Shareholder approval is sought for the grant of the following options as detailed below:
- (a) each option is to acquire one Share;
 - (b) the options are issued for nil consideration;
 - (c) the exercise price will be determined in accordance with a formula representing a 25% premium to the 30 day volume weighted average price at the time of approval;
 - (d) the options will not be transferable;
 - (e) it is intended that the options will be issued within 5 days after the Annual General Meeting, but in any event no later than 12 months after the Annual General Meeting;
 - (f) the options will have an expiry date of 10 years after the date of issue; and
 - (g) the options will vest in the event specific performance hurdles, determined by the Board, are met.

General Terms of the issue of options under Resolution 3

- 21 The other general terms for the options to be issued under Resolution 3 are:
- (a) if there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, the rights attaching to the options issued pursuant to Resolution 3 will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation;
 - (b) the options do not entitle Mr O'Kane to participate in any new issues by the Company without exercising the options;
 - (c) the options do not confer on Mr O'Kane any rights to a change in the exercise price of the options or a change to the number of underlying securities over which the options can be exercised except:
 - (i) in the case of a pro rata issue to the holders of shares (except a bonus issue) in which case the exercise price of each option shall be reduced in accordance with the formula contained in Listing Rule 6.22.2; and

- (ii) in the case of a bonus issue to the holders of Shares, in which case the number of Shares over which each option is exercisable shall be increased by the number of Shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue;
- (d) all shares issued pursuant to the exercise of options will, subject to the Constitution of the Company, rank in all respects (other than in respect of dividends, rights issues or bonus issues declared prior to allotment) equally with the existing Shares at the date of issue and allotment; and
- (e) the options will not be quoted on ASX. The Company intends to apply to ASX for quotation of any Shares acquired on exercise of the options.

General Information

- 22 The Company discloses the following information concerning the value of the options to be issued in relation to Resolution 3. A fair value for the options to be issued has been calculated using a Black Scholes methodology and based on a number of assumptions, set out below. This methodology has been consistently used by the Company in its audited financial statements. The Board believes this valuation model is appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the options.
- 23 The stated valuation does not constitute and should not be taken as audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 1 October 2018.

Underlying price (share price as at 1 October 2018 being end of day closing price)	\$0.036
Exercise (strike) price – 25% premium to the 30 day volume weighted average price on 1 October 2018	\$0.0471
Volatility	125.8%
Dividend Yield (estimate)	\$0.00
Expiry Date	30 November 2028
Risk free rate	2.62%
Option Value	\$0.04
Number of options issued	2,400,000
Employee benefit expense	\$96,000

- 24 A significant factor in the determination of the final value of options will be the ultimate share price at the date of final option grant (this will be the date of approval by the shareholders if such approval is obtained). The following table details total employee benefit expense based on the highest and lowest closing prices of the Shares traded on the ASX over the 12 months ending on 1 October 2018.

	Highest Price	Lowest Price
Closing Price (\$)	\$0.079	\$0.025
Date	3 April 2018	1 October 2017
Total employee benefits expense	\$189,600	\$60,000

- 25 As such if it is assumed all other factors are equal, where the share price increases above the \$0.04 disclosed above the final value of options granted will increase, and conversely where the share prices reduces the final value of options granted will also reduce.

Remuneration

- 26 Excluding the value of the options, Mr O'Kane currently receives \$200,000 per annum inclusive of superannuation and a performance bonus of up to \$170,000 inclusive of superannuation. The amount stated is per annum comprising salary, superannuation contributions and known short and long-term incentive payments for the 2018/2019 financial year.

Additional Listing Rule 10.15 disclosures

- 27 All Directors are potentially eligible to participate in the Company's ESOP.
- 28 The following securities have been issued to relevant persons under the Company's ESOP:

	Options	Date of issue	Exercise Price	Expiry date
Brendan O'Kane	1,181,250*	17 Nov 2015	\$0.20	10 years from date of issue
Tanya Cox	542,101	17 Nov 2015	\$0.20	10 years from date of issue
Brendan O'Kane	1,200,000	21 Dec 2016	\$0.06	10 years from date of issue
Brendan O'Kane	1,200,000	22 Nov 2017	\$0.04	10 years from date of issue

** Options lapsed due to specific performance hurdles not being met.*

- 29 There are no loan arrangements with Mr O'Kane in relation to the acquisition of the options.

Financial Benefit – Details and reasons

- 30 Approval has been sought for the giving of a financial benefit to Mr O'Kane, as a related party, under section 208 Corporations Act. Section 229(3)(e) Corporations Act provides that the 'issuing of securities or granting of an option to a related party' (which includes a director of an entity) is an example of the giving of a financial benefit.
- 31 The amount, terms and value (subject to the stated assumptions) of those options are set out above.
- 32 The reasons for giving this financial benefit are:

- (a) the Company wishes to maximise the use of its cash resources towards other strategic initiatives and equity based incentives such as options are used to supplement cash based remuneration;
- (b) the total quantum of options to be issued to Mr O'Kane is moderate in number and the issue of options will act as an incentive for future growth of the business;
- (c) option terms are designed to incentivise the Directors to maximise the Company's longer term development and growth;
- (d) equity based incentives, such as options, assist in the alignment of Shareholders and directors' interests;
- (e) the remuneration package is designed to attract and retain the directors and managing director, as suitably qualified and experienced managers of the Company; and
- (f) the Company believes the associated expense is limited and the nature of the options package proposed is commensurate with market practice.

33 On this basis the Company believes the giving of the benefits, as constituted by the issue of the options to Mr O'Kane, is in the best interests of the Company and its Shareholders.

Existing interests and the dilutionary effect on other members' interests

34 The effect that the exercise of the options will have on the interests of Mr O'Kane relative to other members' interests is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of, the Company during the time between issue and exercise of the option.

The total number of shares on issue in the capital of the Company	225,936,600
Shares currently held by Mr O'Kane*	31,056,196
% of shares currently held by O'Kane	13.74%
Options to be issued under Resolution 3	2,400,000
Existing options held by O'Kane	8,559,337
Shares that will be held following the exercise of all options held by O'Kane	42,015,533
% of Shares that would be held assuming no other options were exercised	17.73%

* including indirect interests

Directors' Recommendation

- 35 The Directors abstain, in the interests of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 4 - Ratification of previous issue of options to sophisticated investors

- 36 As announced to the ASX on 4 July 2017, the Company has entered into financing arrangements with a syndicate of sophisticated and professional investors, who have agreed to provide a loan facility to the Company in an aggregate amount of \$1.35 million, when combined with the Further Advance (of \$0.5 million) from Brian Mitchell and Brendan O'Kane (**Facility**).
- 37 It is a term under the Facility that each lender is entitled to receive 750,000 options for each \$50,000 committed.
- 38 On 28 June 2018, one of the sophisticated investors advanced a further \$200,000 under the same terms of the Facility. Those investors were therefore entitled to be issued 3,000,000 options which were issued to them on 25 July 2018.
- 39 The purpose of resolution 4 is for shareholders to ratify, under ASX Listing Rule 7.4 and for all other purposes, the further issue of the options made.
- 40 ASX Listing Rule 7.1 (in combination with ASX Listing Rule 7.1A) limits the Company from issuing more than 25% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the Company's 15% capacity, enabling it to issue further securities up to that limit. Listing Rule 7.4 can also be utilised to refresh the Company's 10% capacity under Listing Rule 7.1A.
- 41 Resolution 4 proposes the ratification and approval of the allotment and issue of the options for the purpose of satisfying the requirements of ASX Listing Rule 7.4.
- 42 Details of the issue are set out below.

Options	
Issue date	25 July 2018
Number of securities	3,000,000 Options
Issue price	\$0.0001 per Option
Exercise price	\$0.04 per Option
Expiry date	The date that is 12 months after repayment of the Facility in full by the Company.
Terms of issue	<ul style="list-style-type: none">• The Options may be exercised at any time before their expiry date, wholly or in part.• The Company will issue one Share for each Option exercised.• Options may not be transferred, assigned or otherwise disposed of without the consent of the Board.

	<ul style="list-style-type: none"> • The Shares issued upon exercise of the Options rank equally with all existing Shares on issue. • The Company will not apply to ASX for official quotation of any of the Options. • While the Options remain unexercised, they do not: <ul style="list-style-type: none"> ○ confer a right to participate in new issues of Shares unless the Options have been exercised on or before the record date for determining entitlements to the issue; or ○ entitle a holder to receive any dividends declared and paid by the Company for shares. • If there is a bonus or cash issue of Shares, the number of shares issued upon exercise of the Options will be adjusted as specified in Listing Rule 6.22.3.
Allottees	The Options were issued to sophisticated investors who are lenders under the Facility.
Use of funds raised	Not applicable – proceeds of the issue are nominal.

- 43 If resolution 4 is not approved, the Company's capacity to raise additional equity funds over the next 12 months without reference to shareholders will be reduced.

Directors' recommendation

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

Resolution 5: Approval of additional 10% capacity under Listing Rule 7.1A

- 45 Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring Shareholder approval. In accordance with the Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of \$300 million or less) can issue a further 10% of the Company's share capital over a 12 month period following the Annual General Meeting (provided Shareholder approval is obtained at the Annual General Meeting) on a non-pro rata basis.
- 46 The Company falls within the eligibility criteria required by Listing Rule 7.1A.
- 47 The number of shares that may be issued (if Shareholder approval is obtained at the Annual General Meeting) will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

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

- A** is the number of fully paid shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% capacity pursuant to Listing Rule 7.1 without Shareholder approval; and

(D) less the number of fully paid shares cancelled in the 12 months.

D is 10%.

E is the number of equity securities issued or agreed to be issued under 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 Shareholders under Listing Rule 7.1 or 7.4.

48 Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A the Company provides the following information:

Minimum price at which the equity securities may be issued	<p>The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <p>(a) the date on which the price at which the securities are to be issued is agreed; or</p> <p>(b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.</p>
Risk of economic and voting dilution	<p>An issue of shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <p>(a) the market price for Shares may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and</p> <p>(b) the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date.</p> <p>In accordance with Listing Rule 7.3A.2 a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
Date by which the Company may issue the securities	<p>The period commencing on the date of the Annual General Meeting at which approval is obtained and expiring on the first to occur of the following:</p> <p>(a) the date which is 12 months after the date of the annual general meeting at which approval is obtained; and</p> <p>(b) the date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2.</p> <p>The approval under Listing Rule 7.1A will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.</p>

Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards the Company's growth strategies. This may include:</p> <ul style="list-style-type: none"> (a) securing new customers (existing and new sectors); (b) expanding services, including value added services; and (c) possible acquisitions of related parties and complementary businesses. <p>The Company reserves the right to issue shares for non-cash consideration, including as non-cash consideration for any acquisition.</p>
Details of the Company's allocation policy for issues under approval	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:</p> <ul style="list-style-type: none"> (a) 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; (b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company; (c) the financial situation and solvency of the Company; and (d) advice from corporate, financial and broking advisers (if applicable). <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
Previous approvals under Listing Rule 7.1A	<p>The Company obtained approval from shareholders at last year's AGM held on 22 November 2017, and at its previous AGM's held on 30 November 2016 and 12 November 2015.</p>

Information under Listing Rule 7.3A.6(a)

- 49 The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities on issue at the commencement of the 12 month period	224,661,600 ordinary shares and 39,386,807 unquoted options
Equity securities issued in the prior 12 month period	1,275,000 ordinary shares and 8,300,000 unquoted options.
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	3.7%

Information under Listing Rule 7.3A.6(b)

- 50 The table below sets out specific details for each issue of equity securities that has taken place in the 12 month period preceding the date of the AGM.

Date of issue	13 April 2018
----------------------	---------------

Number issued	5,300,000
Class and type of equity security	Unquoted options
Summary of terms	Options were issued under the Company's ESOP for an exercise price of \$0.0947, vesting between 1 to 4 years from the date of issue and expiring 10 years from the date of issue.
Names of persons who received securities or basis on which those persons were determined	Employees of the Company.
Price at which equity securities were issued	Options were issued for nil consideration.
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	N/A
Amount of cash consideration spent:	N/A
Use of cash consideration:	N/A
Intended use for remaining amount of cash (if any):	N/A

Date of issue	25 July 2018
Number issued	3,000,000
Class and type of equity security	Unquoted options
Summary of terms	Options issued with an exercise price of \$0.04 and expiry date of 30 June 2020.
Names of persons who received securities or basis on which those persons were determined	Sophisticated investors.
Price at which equity securities were issued	\$0.0001 per option.
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	\$300
Amount of cash consideration spent:	Cash when raised is held in a common bank account and is not tracked separately.
Use of cash consideration:	The funds are being raised primarily to: (a) fund the expansion and growth of OtherLevels' sales activities; (b) further strengthen commercial and contract capabilities to support and accelerate deal closure;

	(c) continue to grow OtherLevels' digital messaging platform in order to continue to upsell opportunities; and (d) provide additional working capital to meet the Company's operating needs.
Intended use for remaining amount of cash (if any):	Cash on hand at the date of this notice will be used to progress the development of the Company's IP and working capital requirements.

Date of issue	27 July 2018
Number issued	1,275,000
Class and type of equity security	Ordinary shares
Summary of terms	Shares rank pari passu with all other fully paid ordinary shares on issue in the Company.
Names of persons who received securities or basis on which those persons were determined	Employee of the Company – issue of shares upon exercise of options under the Company's ESOP.
Price at which equity securities were issued	\$0.0001 per option
Discount to market price (if any):	N/A
For cash issues	
Total cash consideration received:	\$127.50
Amount of cash consideration spent:	Cash when raised is held in a common bank account and is not tracked separately.
Use of cash consideration:	The funds are being raised primarily to: (a) fund the expansion and growth of OtherLevels' sales activities; (b) further strengthen commercial and contract capabilities to support and accelerate deal closure; (c) continue to grow OtherLevels' digital messaging platform in order to continue to upsell opportunities; and (d) provide additional working capital to meet the Company's operating needs.
Intended use for remaining amount of cash (if any):	Cash on hand at the date of this notice will be used to progress the development of the Company's IP and working capital requirements.

Information under Listing Rule 7.3A.2

51 The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

52 The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.018 50% decrease in Issue Price	\$0.036 ¹ Current Market Price	\$0.072 100% increase in Issue Price
Current Variable A* 225,936,600 Shares	10% Voting Dilution	22,593,660 shares	22,593,660 shares	22,593,660 shares
	Funds raised	\$406,686	\$813,372	\$1,626,744
50% increase in current Variable A* 338,904,900 Shares	10% Voting Dilution	33,890,490 shares	33,890,490 shares	33,890,490 shares
	Funds raised	\$610,029	\$1,220,058	\$2,440,115
100% increase in current Variable A* 451,873,200 Shares	10% Voting Dilution	45,187,320 shares	45,187,320 shares	45,187,320 shares
	Funds raised	\$813,372	\$1,626,744	\$3,253,487

*Note: Current Variable A refers to the calculation required by Listing Rule 7.1A.2 which, in the Company's case, equates to the current issued share capital of the Company.

53 The table has been prepared on the following assumptions:

- (a) the Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval;
- (b) no options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A;
- (c) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;

- (d) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of a share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting;
 - (e) the table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
 - (f) the issue of Shares under Listing Rule 7.1A consists only of Shares; and
 - (g) the issue price is \$0.036, being the closing price of the shares on ASX on 1 October 2018.
- 54 As at the date of the Notice of Meeting, the Company has on issue 225,936,600 Shares. Subject to Shareholder approval being obtained for Resolution 5, the Company will have capacity to issue the following equity securities as at the date of the Annual General Meeting:
- (a) 33,890,490 Shares (under Listing Rule 7.1); and
 - (b) 22,593,660 Shares (under Listing Rule 7.1A).¹
- 55 Listing Rule 7.1A requires Resolution 5 to be passed as a special resolution. A special resolution needs approval by at least 75% of the votes cast by members entitled to vote on the resolution.
- Directors' recommendation**
- 56 The Directors recommend you vote in favour this resolution.

¹ The actual number of Shares the Company will have capacity to issue under Listing Rule 7.1A may vary and will be determined at the date of issue in accordance with Listing Rule 7.1A.2 (as illustrated in the table above).

Glossary

OtherLevels Holdings Limited ACN 603 987 266

Annual General Meeting	means the Company's annual general meeting the subject of this Notice of Meeting.
Annual Report	means the 2018 annual report of the Company.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of directors of the Company.
Company	means OtherLevels Holdings Limited ACN 603 987 266.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Directors	means the directors of the Company.
ESOP or Employee Share Option Plan	means the Company's employee share option plan as summarised in the Company's IPO prospectus dated 20 February 2015, and renewed with shareholder approval on 22 November 2017.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Remuneration Report	means the section of the Directors' report for the 2018 financial year that is included under section 300A(1) Corporations Act.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Andrew Ritter (Company Secretary):

OtherLevels Holdings Limited

Level 1, 235 Edward Street

Brisbane QLD 4000

Tel: +61 7 3003 0652

Email: andrew.ritter@otherlevels.com

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: +61 1300 554 474

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:00am (Brisbane time) on Friday, 30 November 2018 at PKF Hacketts Brisbane, Level 6, 10 Eagle Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 3: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 3, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

VOTING DIRECTIONS

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

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

Resolutions

1 Directors' remuneration report

For Against Abstain*

☐ ☐ ☐

4 Ratification of previous issue of Options to Sophisticated Investors

For Against Abstain*

☐ ☐ ☐

2 Election of Mr Cristiano Nicolli as Director

☐ ☐ ☐

5 10% capacity to issue shares under Listing Rule 7.1A

☐ ☐ ☐

Special Business

3 Issue of options to Managing Director

☐ ☐ ☐


* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

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

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

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (Brisbane time) on Wednesday, 28 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

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

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