



GROUP LIMITED

ABN 65 003 964 181

## Notice of Extraordinary General Meeting and Explanatory Statement

**11 am AEST  
Friday, 15 March 2019  
The Brisbane Club  
241 Adelaide St,  
Brisbane City QLD 4000**

**NOTICE** is given that an Extraordinary General Meeting of PPK Group Limited (**Company**) will be held at The Brisbane Club, 241 Adelaide St, Brisbane City QLD 4000 at 11 am (AEST) on Friday, 15 March 2019.

The Explanatory Statement accompanying this Notice of Meeting explains the items of business to be considered at the Meeting and forms part of this Notice of Meeting and should be read in conjunction with it.

## **ORDINARY BUSINESS**

### **Resolution 1 – Ratification of Placement of Shares**

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, the Company approves and ratifies the issue of 9,100,000 fully paid ordinary shares in the Company issued at the price of \$0.35 per share (**Placement Shares**) to each of the sophisticated investors referred to and on the terms and conditions set out in the accompanying Explanatory Memorandum.”

## **VOTING EXCLUSION STATEMENT**

### **RESOLUTION 1 – Ratification of Placement of Shares**

The Company will disregard any votes cast on Resolution 1 by or on behalf of a person who participated in or who will obtain a benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of securities in the Company).

However, the Company need not disregard a vote if:

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

### **Resolution 2 – Approval of Proposed Placement Shares**

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,000,000 fully paid ordinary shares in the Company at an issue price of \$0.35 per share (**Proposed Placement Shares**) to the sophisticated investor referred to and on the terms and conditions set out in the accompanying Explanatory Memorandum.”

## **VOTING EXCLUSION STATEMENT**

### **RESOLUTION 2 – Approval of Proposed Placement Shares**

The Company will disregard any votes cast on Resolution 2 by or on behalf of 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 holder of securities in the Company).

However, the Company need not disregard a vote if:

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

### **Resolution 3 – Acquisition of AICIC**

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

“Subject to resolution 4 being passed, that approval be given for the acquisition by the Company of 100% of the issued capital of AIC Investment Corporation Pty Ltd ACN 618 938 560 (**AICIC**) consisting of 2,200,000 fully paid ordinary shares, on the terms summarised in the Explanatory Statement.”

#### **Resolution 4 – Issue ordinary shares as consideration for acquisition of AICIC**

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

“Subject to resolution 3 being passed, that for the purposes of Listing Rule 7.1 and for all other purposes, approval be given to issue fully paid ordinary shares in the Company to Australian Innovation Centre Pty Ltd ACN 143 248 355 on the terms set out in the Explanatory Statement as consideration for the acquisition of AICIC.”

#### **VOTING EXCLUSION STATEMENT**

RESOLUTION 4 – Issue ordinary shares as consideration for acquisition of AICIC:

The Company will disregard any votes cast on Resolution 4 by or on behalf of 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 holder of securities in the Company).

However, a vote may be cast by such a person if:

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

Dated at Sydney, on the 13 February 2019

**By order of the Board**  
**Andrew J. Cooke**  
**Company Secretary**

A handwritten signature in black ink, appearing to read 'Andrew Cooke', with a stylized flourish at the end.

## **Proxies**

- A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy or not more than two proxies to attend and vote instead of the Shareholder.
- Where two proxies are appointed:
  - (i) a separate Proxy Form should be used to appoint each proxy;
  - (ii) the Proxy Form may specify the proportion, or the number, of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.
- A Shareholder can appoint any other person to be their proxy. A proxy need not be a Shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held e.g. "the Chair of the Meeting".
- If a Shareholder's appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting. In addition, any directed proxy appointments that are not voted on a poll at the meeting by a Shareholder's appointed proxy will automatically default to the Chair of the Meeting, who is required to exercise the relevant votes as directed on the poll (subject to any applicable voting exclusions).
- In the case of Shareholders who are individuals, the Proxy Form must be signed:
  - (i) if the shares are held by one individual, by that Shareholder;
  - (ii) if the shares are held in joint names, by any one of them.
- In the case of Shareholders who are companies, the Proxy Form must be signed:
  - (i) if it has a sole director who is also sole secretary, by that director (and stating the fact next to, or under the signature on the Proxy Form);
  - (ii) in the case of any other company by either two directors or a director and secretary.
- If the person signing the Proxy Form is doing so under a power of attorney, or is an officer of a company outside those referred to above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy Form, must be received by the Company by the time and at the place specified below.
- A Proxy Form accompanies this notice. To be effective, your proxy must be received by the Company no later than 48 hours before the time for the holding of the meeting:
  - (i) Lodge your vote Online: [www.investorvote.com.au](http://www.investorvote.com.au) using the Control Number and your SRN/HIN which are provided on the front side of your Proxy Form.
  - (ii) by facsimile : on 1 800 783 447 (within Australia) or +61 3 9473 2555 (from outside of Australia) ; or
  - (iii) by mail :
    - Computershare Investor Services Pty Limited
    - GPO Box 242
    - Melbourne Victoria 3001
    - Australia
  - (iv) Custodians: Intermediary Online subscribers only, cast the shareholder's vote online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com).

## **Corporate Representatives**

A body corporate that is a member, or that has been appointed as a proxy of a member, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment including the authority under which it is signed.

## **SHAREHOLDERS WHO ARE ENTITLED TO VOTE**

In accordance with the Corporations Act, the Directors have determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 7.00pm (AEST) on Wednesday, 13 March 2019.

## **CHAIR'S VOTING INTENTIONS**

Subject to any applicable voting exclusions, the Chair of the Meeting intends to vote all available undirected proxies in favour of each resolution to be considered at the meeting.

## **EXPLANATORY STATEMENT**

This Explanatory Statement forms part of the Notice of Meeting and has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Meeting.

### **RESOLUTION 1 – Ratification of Placement Shares**

The Company issued a total of 9,100,000 fully paid ordinary shares at an issue price of \$0.35 per share to various sophisticated investors during November and December 2018. 2,500,000 shares were issued on 15 November 2018, 3,300,000 shares were issued on 30 November 2018 and a further 3,300,000 shares were issued on 4 December 2018. None of the sophisticated investors are related parties of the Company.

Listing Rule 7.4 permits the ratification of previously issued securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1

Resolution 1 seeks Shareholder ratification of the issue of the Placement Shares.

The purpose of seeking Shareholder ratification of the Placement Shares is to reinstate the 15% limit under the Listing Rules on the number of securities that the Company may issue in any 12 month period without Shareholder approval.

In accordance with Listing Rule 7.5, the following information is provided to Shareholders

- (a) The total number of fully paid ordinary shares issued was 9,100,000.
- (b) The issue price of each fully paid ordinary shares issued was \$0.35.
- (c) The issued shares rank equally with all existing shares.
- (d) The allottees of the Placement Shares were sophisticated investors determined by the Board.
- (e) Funds raised through the Placement Shares will provide a 3 year secured loan to AICIC in accordance with the Company's announcement headed Acquisition and Capital Raising dated 13 November 2018.
- (f) A voting exclusion statement is included in the Notice of Meeting.

### **Recommendation**

The Board believe that the ratification of the Placement Shares is beneficial to the Company as it allows the Company to retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 to raise additional capital without first obtaining Shareholder approval.

The Board unanimously recommends that Shareholders vote **FOR** Resolution 1.

### **RESOLUTION 2 – Approval of Proposed Placement Shares**

The Company is proposing to issue a maximum of 1,000,000 fully paid ordinary shares to Minoan Corporation Limited. The placement of the Proposed Placement Shares is subject to shareholder approval. Minoan Corporation Limited is an independent investment company based in Wellington, New Zealand and associated with Mr. Clarence Nicholl. Minoan Corporation Limited is not a related party of the Company.

Under Listing Rule 7.1 a listed entity must not issue equity securities that total more than 15% of its fully paid ordinary shares in a 12 month period without the approval of shareholders.

Before issuing the Proposed Placement Shares to Minoan Corporation Limited the Company is seeking Shareholder approval for the purposes of Listing Rule 7.1.

Issues of equity securities made with the prior approval of the Shareholders in a general meeting are also not subject to the 15% limit. Accordingly, if Shareholders of the Company pass this resolution 2, the Proposed Placement Shares will not be counted towards the 15% limit in respect of equity securities in the upcoming 12 month period.

In accordance with Listing Rule 7.3, the following information is provided to Shareholders:

- (a) The maximum number of securities to be issued is 1,000,000 fully paid ordinary shares.
- (b) The issue of the Proposed Placement Shares will occur no later than three (3) months after the date of the Meeting.
- (c) The issue price of the Proposed Placement Shares will be a fixed price of \$0.35 per share.
- (d) The allottee of the Proposed Placement Shares is Minoan Corporation Limited.
- (e) The Proposed Placement Shares will, from the date of issue, rank equally with all other shares on issue.
- (f) Funds raised through the Proposed Placement Shares will provide funding towards the acquisition of AICIC, which is addressed in Resolution 3,
- (g) Provide Shareholders approve this resolution 2, the Proposed Placement Shares will be issued no later than 3 months after this resolution is passed. The Company does not intend to issue the Proposed Placement Shares progressively.
- (h) A voting exclusion statement is included in the Notice of Meeting.

### **Recommendation**

The Board believes the capital raising through the Proposed Placement Shares is in the best interests of the Company and provides the Company with greater resources to achieve its objectives. If Shareholder approval is not obtained, the Proposed Placement Shares will not be issued and the placement will not proceed.

The Board unanimously recommends that Shareholders vote **FOR** Resolution 2.

### **RESOLUTION 3 – Acquisition of AICIC**

As previously announced to the market, the Company has entered into a Share Sale Agreement to acquire AIC Investment Corporation Pty Ltd ACN 618 938 560 (AICIC). AICIC owns 50% of BNNT Technology Limited, a joint venture company which holds an exclusive 20 year licence in respect of technology developed by Deakin University to manufacture Boron Nitride Nanotubes ("BNNT) on a commercial basis. AICIC is not a related party of the Company.

BNNTs are new advanced nanomaterials that have superior mechanical properties, excellent thermal conductivity, optical and infrared transparency, thermal and chemical stability, neutron shielding capability, electrical insulation properties and extreme flexibility. BNNTs are light weight and are considered to be stronger than high-strength steel and industrial-grade carbon fibre.

BNNT Technology Limited is currently establishing its first full scale production plant at Deakin University's ManuFutures, a purpose-built advanced manufacturing innovation hub in their Geelong Waurn Ponds Campus. BNNT Technology Limited was recently awarded a Federal Government Manufacturing Grant of \$1,400,000 for the new BNNT plant.

The Company sees this investment as an opportunity to secure a leading position in developing and providing a broad range of advanced products in the mining industry as well as other industries. When used in the manufacture of new composite materials, potential applications include the next-generation of fighter jets, spacecraft, bullet-proof vests, transparent armour, heat sink for electronics, lighter-weight vehicles, safer lithium-ion batteries and sporting goods.

Like any new technology there may be risks in relation to BNNT Technology Limited's ability to produce BNNT in commercial quantities and follow on risks associated with the commercial application of BNNT including the use of BNNT in the products and potential applications referred to above.

### **Share Sale Agreement**

Under the terms of the Share Sale Agreement, the Company will acquire 100% of the issued capital of AICIC consisting of 2,200,000 fully paid ordinary shares. Consideration for the acquisition will be:

- (1) The issue of the Consideration Shares calculated in accordance with the formula below:

$$CS = \$6,650,000 \text{ divided by the Price Per Share}$$

Where:

CS means the number of fully paid ordinary shares in the Company issued to the Vendor; and

Price Per Share means the VWAP of the Company's Shares calculated over the 5 trading days ending on the day that is 1 business day immediately prior to the Completion Date.

Provided that the number of Consideration Shares will be capped at the greater of 10,000,000 or 15% of the issued capital of the Company as at the Completion Date.

- (2) The payment of the Earn Out Consideration, if any, which will be paid in respect of the 2 financial years commencing subsequent to Completion (Earn Out Period) if the Company delivers an EBIT of greater than \$10,000,000 for the Earn Out Period. If applicable, the Earn Out Consideration payable to the Vendor is calculated as 50% of the amount exceeding \$10,000,000 in EBIT in the Earn Out Period and capped at \$10,000,000. The Vendor may elect to receive any Earn Out Consideration as cash or the equivalent value of Shares issued at the VWAP of the Company's Shares calculated over the 5 trading days ending on the day that is 1 business day immediately prior to the date of issue. Any issue of Shares as Earn Out Consideration must not result in the Vendor or its Associates having voting power in the Company of greater than 19.9% and is subject to any shareholder approval or other approvals that may be required or desirable.

The Consideration Shares will be issued on the same terms, and with the same rights attached, as other fully paid ordinary shares issued in the Company as at Completion.

### Dilution effect

The table below shows the dilution of existing Shareholders on the issue of the Consideration Shares and the subsequent issue of the Proposed Placement Shares, using different variables for the Price Per Share. At the date of this Notice, the Company had 71,096,498 shares on issue.

The table shows:

- (a) the dilution effect on the current issued capital after the issue of the Consideration Shares and the dilution effect after the issue of the Proposed Placement Shares (1,000,000 Shares) to Minoan Corporation Limited as contemplated under Resolution 2;
- (b) examples of where the Price Per Share would be equal to the current market price as at close of trade on 7 February 2019, being \$0.52 (current market price), where the Price Per Share is halved and where it is doubled; and
- (c) that the dilutionary effect is dependent on whether the cap on the number of Consideration Shares (the greater of 10,000,000 or 15%) applies.

| Issued capital of the Company                        | Consideration Shares (capped at the greater of 10,000 or 15% of issued capital), Proposed Placement Shares and dilution effect | Dilution effect                                            |                                                   |                                                              |
|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------|
|                                                      |                                                                                                                                | Price Per Share at half the current market price<br>\$0.26 | Price Per Share at current market price<br>\$0.52 | Price Per Share at double the current market price<br>\$1.04 |
| <b>Current Issued Capital</b><br>71,096,498 Shares   | Consideration Shares (before cap)                                                                                              | 25,576,923                                                 | 12,788,462                                        | 6,394,231                                                    |
|                                                      | 15% of issued capital                                                                                                          | 10,664,475                                                 | 10,664,475                                        | 10,664,475                                                   |
|                                                      | <b>Consideration Shares (after cap)</b>                                                                                        | <b>10,664,475</b>                                          | <b>10,664,475</b>                                 | <b>6,394,231</b>                                             |
| <b>Issued Capital post Consideration Shares</b>      | Issued capital after issue of Consideration Shares                                                                             | 81,760,973                                                 | 81,760,973                                        | 77,490,729                                                   |
|                                                      | Dilution                                                                                                                       | 15.00%                                                     | 15.00%                                            | 8.99%                                                        |
| <b>Issued Capital post Proposed Placement Shares</b> | Issued capital after issue of Proposed Placement Shares                                                                        | 82,760,973                                                 | 82,760,973                                        | 78,490,729                                                   |
|                                                      | Dilution                                                                                                                       | 16.41%                                                     | 16.41%                                            | 10.40%                                                       |

Note: the table above assumes that no Shares are issued before the date of issue of the Consideration Shares. If further Shares are issued and Shareholders do not participate in the issue, their ownership and voting power in the Company will be further diluted.

### Escrow and adjustment to Purchase Price

The Consideration Shares will be subject to a 24 month escrow period following Completion. If the value of the Consideration Shares issued to the Vendor based on the five day VWAP of the Company's Shares immediately prior to the date the Consideration Shares are released from escrow is less than \$6,650,000, the Company must pay to the Vendor the difference in cash as an adjustment to the purchase price.

## Conditions Precedent

Completion of the Share Sale Agreement will not occur until a number of conditions precedent have been satisfied or waived, including the following:

- (a) The Company obtaining all required authorisations from any government agency, including but not limited to, any necessary ASX and ASIC approvals required;
- (b) The Shareholders of the Company approving the entry into this agreement by the Company and the transactions contemplated by it.
- (c) The Shareholders of the Company approving any other matters required approval as notified by the Company.
- (d) The Vendor providing the Company with evidence, to the satisfaction of the Company (acting reasonably) that the written approval has been obtained from the counterparties of each contract to the change in control of AICIC where such consent is required under the terms of the relevant contract (if required by the Company), including:
  - i. obtaining consent pursuant to the BNNT Technology Limited shareholders deed; and
  - ii. obtaining consent of Deakin University to the transaction and its confirmation that BNNT Technology Limited has complied with all, and is not in default of any, contractual arrangements with Deakin University.
- (e) The Vendor provides evidence satisfactory to the Company (acting reasonably) that there are no Encumbrances registered over the Company or its assets other than certain Permitted Encumbrances.

The above conditions precedent have a sunset date of 15 March 2019. The Company may extend that sunset date by up to 30 days by notice in writing to the Vendor which it intends to do to ensure the Meeting may be held before the conditions expire.

## Period Prior to Completion

In the period prior to Completion, AICIC and its business must be conducted in the usual and ordinary course, consistent with its business practice. Further, the Vendor must ensure that AICIC does not alter its share capital, the provisions of its constitution, create any encumbrances or do anything that might cause the variation, termination, suspension, revocation or non-renewal of any contracts it holds which are material to the operation of AICIC's business.

## Completion

Completion is to occur 5 Business Days following the satisfaction or waiver of all Conditions Precedent or at such time and place as the parties agree in writing.

Both the Company and the Vendor must fulfil a number of obligations on Completion. Completion will not occur until these obligations are performed, provided that the failure to perform the obligation is within a party's power and control. The obligations include the Vendor providing a duly executed escrow deed in the form required by the Company in respect of the escrow of the Consideration Shares for a period of 24 months from Completion.

## Warranties

The Company has provided a number of warranties in respect of the transaction, including warranties relating to information provided, solvency, title, capacity, authorisations, litigation, information provided to the Vendor and compliance with laws. Any claims under those warranties must be made within 1 year from the Completion Date. The Vendor, Mark Winfield and Gary Walsh have also provided warranties usual for a transaction of this nature.

## Right of First Refusals

For a period of 3 years from Completion the Vendor must give the Company a first right of refusal to purchase each current and future technology that the Vendor may advance to commercialisation.

For a period of 5 years from Completion AICIC must give the Vendor a first right of refusal to evaluate, develop and ready any early stage technologies for commercialisation that AICIC is offered excluding those pertaining to the mining industry or that relate to new applications (whether present or future) or the development of the technologies concerned with the AICIC Group.



## Restraint

The Share Sale Agreement contains a restraint on the Vendor and its related bodies corporate from competing with AICIC for a period of up to 3 years from Completion in numerous geographical locations in Australia.

## Loan

As previously announced the Company has provided a loan totalling \$3.6 million to AICIC for the purpose of funding the commercialisation of certain intellectual property.

## Director's recommendation

The Board unanimously recommends that Shareholders vote in favour of resolution 3.

## **RESOLUTION 4 – Issue ordinary shares as consideration for acquisition of AICIC**

### Background

Under Listing Rule 7.1, a listed entity must not issue equity securities that total more than 15% of its fully paid ordinary shares in a 12 month period without the approval of shareholders.

The Company is seeking Shareholder approval to the issue of the Consideration Shares for the purposes of Listing Rule 7.1. Issues of equity securities made with the prior approval of the Shareholders in a general meeting are also not subject to the 15% limit. Accordingly, if Shareholders of the Company pass this resolution 4, the Consideration Shares will not be counted towards the 15% limit in respect of equity securities in the upcoming 12 month period.

### Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is provided:

- (a) the maximum number of Consideration Shares to be issued to the Vendor is calculated in accordance with the formula below:

$$CS = \$6,650,000 \text{ divided by the Price Per Share}$$

Where:

CS means the number of fully paid ordinary shares in the Company issued to the Vendor; and  
Price Per Share means the VWAP of the Company's Shares calculated over the 5 trading days ending on the day that is 1 business day immediately prior to the Completion Date.

Provided that the number of Consideration Shares will be capped at the greater of 10,000,000 or 15% of the issued capital of the Company.

- (b) the date by which the Consideration Shares will be issued is the Completion Date, and in any event will be no more than three months after the date of this meeting;
- (c) the price at which the shares will be issued is the Company's VWAP calculated over the 5 trading days ending on the day that is 1 business day immediately prior to the Completion Date;
- (d) the Consideration Shares will be issued to the Vendor;
- (e) the Consideration Shares will be fully paid ordinary shares, and will be issued on the same terms, and with the same rights attached, as other fully paid ordinary shares issued in the Company as at Completion;
- (f) the Consideration Shares will be issued as consideration for the purchase by the Company of the entire issued capital of AICIC from the Vendor. On this basis there will be no funds raised through the issue of the Consideration Shares;
- (g) A statement in relation to the voting exclusions in relation to resolution 4 is included in the Notice of Meeting.

## Dilution effect

The table below shows the dilution of existing Shareholders on the issue of the Consideration Shares and the subsequent issue of the Proposed Placement Shares, using different variables for the Price Per Share. At the date of this Notice, the Company had 71,096,498 shares on issue.

The table shows:

- (a) the dilution effect on the current issued capital after the issue of the Consideration Shares and the dilution effect after the issue of the Proposed Placement Shares (1,000,000 Shares) to Minoan Corporation Limited as contemplated under Resolution 2;
- (b) examples of where the Price Per Share would be equal to the current market price as at close of trade on 7 February 2019, being \$0.52 (current market price), where the Price Per Share is halved and where it is doubled; and
- (c) that the dilutionary effect is dependent on whether the cap on the number of Consideration Shares (the greater of 10,000,000 or 15%) applies.

| Issued capital of the Company                        | Consideration Shares (capped at the greater of 10,000 or 15% of issued capital), Proposed Placement Shares and dilution effect | Dilution effect                                            |                                                   |                                                              |
|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------|
|                                                      |                                                                                                                                | Price Per Share at half the current market price<br>\$0.26 | Price Per Share at current market price<br>\$0.52 | Price Per Share at double the current market price<br>\$1.04 |
| <b>Current Issued Capital</b><br>71,096,498 Shares   | Consideration Shares (before cap)                                                                                              | 25,576,923                                                 | 12,788,462                                        | 6,394,231                                                    |
|                                                      | 15% of issued capital                                                                                                          | 10,664,475                                                 | 10,664,475                                        | 10,664,475                                                   |
|                                                      | <b>Consideration Shares (after cap)</b>                                                                                        | <b>10,664,475</b>                                          | <b>10,664,475</b>                                 | <b>6,394,231</b>                                             |
| <b>Issued Capital post Consideration Shares</b>      | Issued capital after issue of Consideration Shares                                                                             | 81,760,973                                                 | 81,760,973                                        | 77,490,729                                                   |
|                                                      | Dilution                                                                                                                       | 15.00%                                                     | 15.00%                                            | 8.99%                                                        |
| <b>Issued Capital post Proposed Placement Shares</b> | Issued capital after issue of Proposed Placement Shares                                                                        | 82,760,973                                                 | 82,760,973                                        | 78,490,729                                                   |
|                                                      | Dilution                                                                                                                       | 16.41%                                                     | 16.41%                                            | 10.40%                                                       |

Note: the table above assumes that no Shares are issued before the date of issue of the Consideration Shares. If further Shares are issued and Shareholders do not participate in the issue, their ownership and voting power in the Company will be further diluted.

## Director's recommendation

The Board unanimously recommends that Shareholders vote in favour of resolution 4.

## Glossary

|                                             |                                                                                                                                                                                                             |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>AICIC</b>                                | means AIC Investment Corporation Pty Ltd ACN 618 938 560.                                                                                                                                                   |
| <b>AICIC Group</b>                          | means AICIC and the technology companies (as that term is defined in the Share Sale Agreement).                                                                                                             |
| <b>Annual Report</b>                        | means the Company's 2018 annual report.                                                                                                                                                                     |
| <b>ASIC</b>                                 | means Australian Securities and Investments Commission.                                                                                                                                                     |
| <b>ASX</b>                                  | means ASX Limited ABN 98 008 624 691 or the securities market which it operates,                                                                                                                            |
| <b>Board</b>                                | means the board of directors of the Company.                                                                                                                                                                |
| <b>Business Day</b>                         | has the meaning given in Chapter 19 of the Listing Rules.                                                                                                                                                   |
| <b>Company</b>                              | means PPK Group Limited ABN 65 003 964 181.                                                                                                                                                                 |
| <b>Completion</b>                           | means completion of the Share Sale Agreement.                                                                                                                                                               |
| <b>Completion Date</b>                      | means the day that is five Business Days after each of the conditions precedent under the Share Sale Agreement have been satisfied or waived or such other date as the parties agree.                       |
| <b>Consideration Shares</b>                 | means the fully paid ordinary shares in the Company proposed to be issued to the Vendor in accordance with resolution 4 of this Notice of Meeting.                                                          |
| <b>Constitution</b>                         | means the Constitution of the Company, as amended.                                                                                                                                                          |
| <b>Corporations Act</b>                     | means the <i>Corporations Act 2001</i> (Cth).                                                                                                                                                               |
| <b>Director</b>                             | means a director of the Company.                                                                                                                                                                            |
| <b>EBIT</b>                                 | means earnings before interest and taxation of the Company.                                                                                                                                                 |
| <b>Explanatory Statement</b>                | means the explanatory statement attached to the Notice of Meeting.                                                                                                                                          |
| <b>Extraordinary General Meeting or EGM</b> | means the Company's extraordinary general meeting the subject of this Notice of Meeting.                                                                                                                    |
| <b>Financial Report</b>                     | means the Company's financial statements and reports for the year ended 30 June                                                                                                                             |
| <b>Listing Rules</b>                        | means the official listing rules of ASX.                                                                                                                                                                    |
| <b>Notice of Meeting</b>                    | means this notice of meeting and includes the Explanatory Statement.                                                                                                                                        |
| <b>Placement Shares</b>                     | means 9,100,000 fully paid ordinary shares in the Company issued to sophisticated investors in accordance with resolution 1 of this Notice of Meeting.                                                      |
| <b>Proposed Placement Shares</b>            | means the 1,000,000 fully paid ordinary shares in the Company proposed to be issued in accordance with resolution 2 of this Notice of Meeting.                                                              |
| <b>Proxy Form</b>                           | means the proxy form accompanying this Notice of Meeting.                                                                                                                                                   |
| <b>Share Sale Agreement</b>                 | Means the Share sale agreement in relation to the acquisition of the entire issued capital of AICIC entered into by the Company, AICIC, the Vendor, Mark Winfield and Gary Walsh and dated 23 January 2019. |
| <b>Shares</b>                               | means fully paid ordinary shares issued in the capital of the Company.                                                                                                                                      |
| <b>Shareholder</b>                          | means a person who is the registered holder of Shares.                                                                                                                                                      |
| <b>Vendor</b>                               | means Australian Innovation Centre Pty Ltd ACN 143 248 355.                                                                                                                                                 |
| <b>VWAP</b>                                 | means volume weighted average price.                                                                                                                                                                        |





GROUP LIMITED  
ABN 65 003 964 181

PPK  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Lodge your vote:

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

XX



### Vote and view the Notice of Meeting online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 11:00am (AEST) on Wednesday, 13 March 2019**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →



MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of PPK Group Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of PPK Group Limited to be held at The Brisbane Club, 241 Adelaide St, Brisbane City QLD 4000 on Friday, 15 March 2019 at 11:00am (AEST) and at any adjournment or postponement of that meeting.

## STEP 2 Items of Business ☀️ **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

|                                                                   | For                      | Against                  | Abstain                  |
|-------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1 Ratification of Placement of Shares                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Approval of Proposed Placement Shares                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Acquisition of AICIC                                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Issue ordinary shares as consideration for acquisition of AICIC | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

|                                                                                                                                                                      |                                                                                                                        |                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Individual or Securityholder 1</b></p> <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <p>Sole Director and Sole Company Secretary</p> | <p><b>Securityholder 2</b></p> <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <p>Director</p> | <p><b>Securityholder 3</b></p> <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <p>Director/Company Secretary</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_